



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

Daily Report

Supplement

Central Eurasia

**FBIS-SOV-95-193-S
Thursday
5 October 1995**

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Central Eurasia SUPPLEMENT

FBIS-SOV-95-193-S

CONTENTS

5 October 1995

NOTICE: An * indicates material not previously disseminated in electronic form.

RUSSIA INTERNATIONAL AFFAIRS

*Current Trends, Directions of Foreign Trade Detailed [MIROVAYA EKONOMIKA 1 MEZHDUNARODNIYE OTNOSHENIYA Aug]	1
*Concept for East Europe Foreign Trade Relations Detailed [SEGODNYA 5 Sep]	8
*Russia, EU To Negotiate Textile Trade [FINANSOVYYE IZVESTIYA 21 Sep]	12
*Agreements With Belarus Signed	13
*Joint Efforts To Deal With Consequences of Chernobyl [ROSSIYSKAYA GAZETA 16 Sep]	13
*Agreement on Scientific-Technical Cooperation [ROSSIYSKAYA GAZETA 16 Sep]	16
*Russian-Turkmen Agreements Signed	17
*On Mutual Currency Convertibility [ROSSIYSKAYA GAZETA 16 Sep]	17
*Turkmen Central Bank Chairman Comments [ROSSIYSKAYA GAZETA 16 Sep]	19
*Creation of North-South Transport Corridor [ROSSIYSKAYA GAZETA 16 Sep]	20
*Commentary on Transport Agreement [ROSSIYSKAYA GAZETA 16 Sep]	21
*Russian-Iranian Contract No Threat to Nuclear Security [YADERNYY KONTROL Jun]	21

RUSSIA NATIONAL AFFAIRS

Political Issues

*Lists of Organizations Registered To Vote	25
*All-Russian Public Associations [ROSSIYSKAYA GAZETA 25 Aug]	25
*All-Russian Trade Union Organizations [ROSSIYSKAYA GAZETA 25 Aug]	29
Party, Bloc Election Prospects Analyzed [ARGUMENTY I FAKTY Sep]	30
Shumeyko on Political Controversies [KOMSOMOLSKAYA PRAVDA 21 Sep]	30
Economic Freedom Party Official Interview [SOVETSKAYA SIBIR 21 Sep]	32
Local Russia's Choice Chairman Interviewed [VOSTOCHNO-SIBIRSKAYA PRAVDA 28 Sep]	34
*Union of Patriots Leader Sterligov Interviewed [PRAVDA 21 Sep]	35
*Private Ownership of Land Seen as Electoral Issue [KOMMERSANT 12 Sep]	37
Early Years of FSB Head Barsukov Outlined [KOMSOMOLSKAYA PRAVDA 20 Sep]	40

Regional Affairs

*Bryansk Oblast Communist Leanings, Election Campaigns Viewed [ROSSIYSKIYE VESTI 22 Sep]	41
Militia's Ability To Curb Crime Assessed [VECHERNIY NOVOSIBIRSK 25 Sep]	42

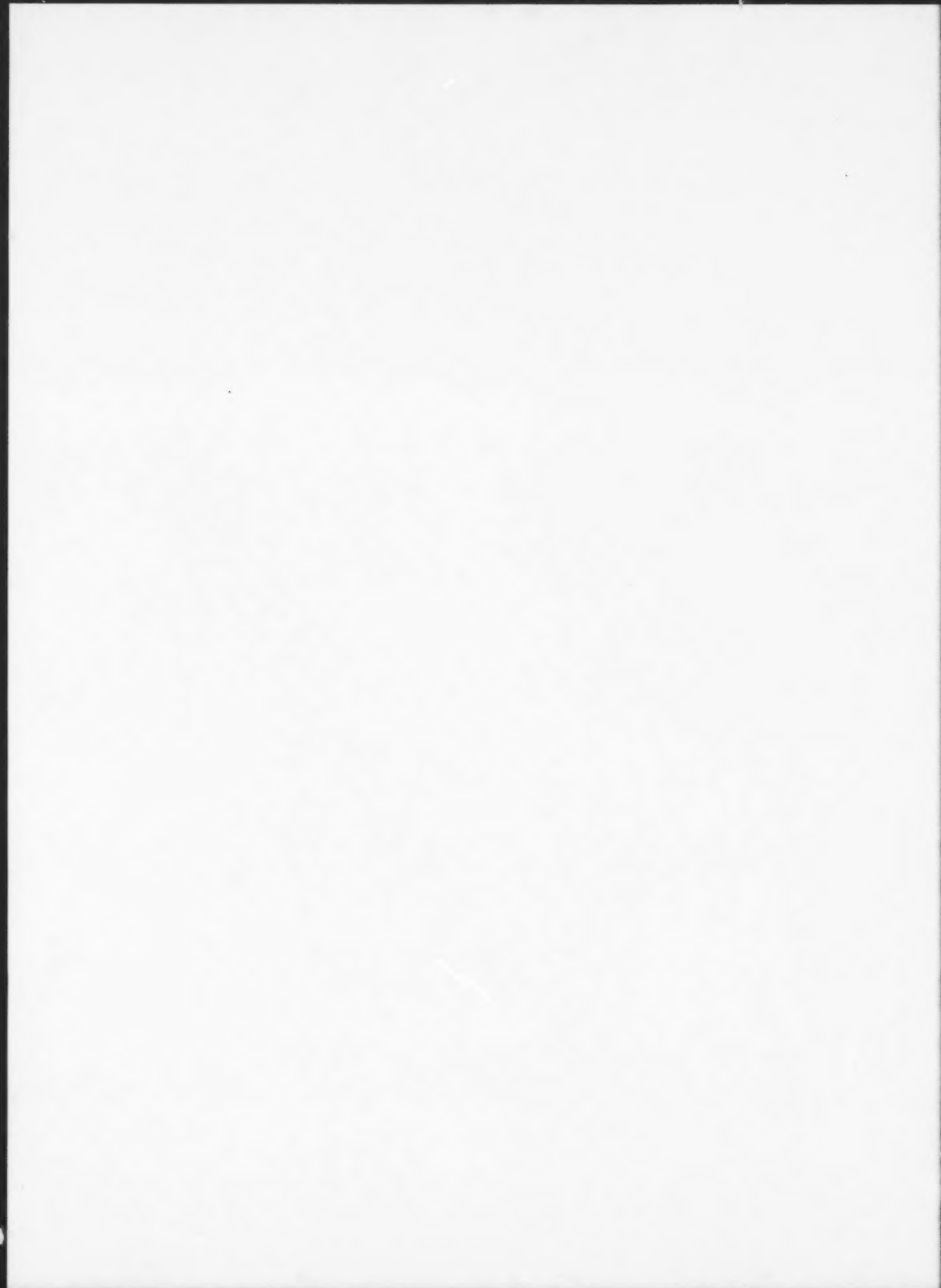
CENTRAL ASIA

Kazakhstan

*Changes in Demographic Situation Examined [PANORAMA 30 Sep]	43
--	----

Tajikistan

*Tajikistan Hoping for Foreign Investment in Gold Industry [SEGODNYA 21 Sep]	45
--	----



***Current Trends, Directions of Foreign Trade
Detailed**

954E1459A Moscow MIROVAYA EKONOMIKA I
MEZHDUNARODNIYE OTNOSHENIYA in Russian
Aug 95 No 8, pp 47-55

[Article by S. V. Kolchin, candidate of economic sciences and sector head at the Russian Academy of Sciences' Institute of World Economics and International Relations, and O. I. Nikolayev, research associate at the institute: "Basic Areas in the Development of Russia's Foreign Trade"]

[FBIS Translated Text] Profound changes have been occurring in Russia's foreign trade as in its entire economy. At the same time, the role of factors related to conditions in the world economy is especially great here. By virtue of this specific feature, the export sector is perhaps the only one that is gathering momentum now against the backdrop of a general, deep depression. Russia's foreign trade with all regions of the world has declined significantly since the beginning of the 1990s. Whereas exports came to \$71 billion in 1990, they were \$48 billion in 1994, and imports were \$82 billion and \$28 billion, respectively, for the same years.

The volumes, structure, and dynamics of exports have been affected considerably by the continuing slump in industrial production, the deterioration of world market conditions, the lack of a consistent state export policy, and changes in the exchange rate of the ruble. The discriminatory policy of the Western industrially developed countries toward Russia continues to be felt, and Russia loses as much as \$2 billion annually as a result of it. Our exporters' interest in shipping many key types of goods abroad has declined as a result of the rise in domestic prices, overhead, and bank interest rates.

The low import numbers are related primarily to a reduction in state spending on centralized purchases and a toughening of the customs-duty and tax system. Restrictions on foreign borrowing and gradual elimination of budgetary subsidies of imports have also had an effect.

One positive aspect of foreign trade activity has been the existence of a positive trade balance in recent years, which has helped increase Russia's foreign exchange reserves. Exports exceeded imports by \$6.4 billion in

1991, \$5 billion in 1992, a full \$16 billion in 1993, and \$19.8 billion in 1994.

According to the RF State Statistics Committee's data, in 1994 Russia's overall foreign trade rose by 7.2 percent compared with the previous year and came to \$76.2 billion. Exports rose by 8.4 percent and imports by 5.4 percent and came to \$48 billion and \$28.2 billion, respectively. Over the year exports showed a tendency to increase monthly.

Geographic Structure

The industrially developed countries' share of Russian exports rose from 60 percent in 1993 to 67 percent in 1994, while the developing countries' share dropped from 14 percent to 12 percent, and former COMECON partners' share declined from 17 percent to 13 percent in the same years. Some changes in the geography of Russian exports occurred in 1994. For a number of years Germany had held first place in exports. In the past year Great Britain unexpectedly advanced into first place, accounting for 17 percent of Russian exports.

That is understandable if one considers that the vast majority of products shipped there consist of uncut and cut diamonds, gold, aluminum, crude oil, and cotton fiber, all of which account for the largest share of Russia's exports. After Great Britain came Germany (11.4 percent), the United States (7.6 percent), Belgium (4.7 percent), Switzerland (4.4 percent), Italy (3.2 percent), Japan (2.8 percent), and the Czech Republic (2.4 percent). Russian exports to Southeast Asia (Hong Kong, Taiwan, Singapore) have been increasing at a fast pace.

In 1994 the industrially developed countries accounted for 69 percent of total imports (in 1993—60 percent), while the developing countries accounted for 13 percent (17 percent) and the former COMECON countries for 8.5 percent (11 percent). Purchases of products in Canada, Bulgaria, Romania, and Sweden declined by half or more. By tradition, the greatest amounts of import purchases in recent years have been made in Germany (13.7 percent of total imports), the United States (7 percent), Great Britain (5 percent), and Italy, Austria, and the Netherlands (3.9-3.6 percent), as well as Turkey, China, Japan, and the Southeast Asian countries. However, in absolute terms imports from Russia's main partners decreased substantially.

Dynamics of Russia's Foreign Trade (calculated in actual prices, as percentage of previous year)

	1990	1991	1992	1993	1994
Exports	88.5	71.6	78.5	101.4	108.4
Imports	98.1	54.4	78.7	73.0	105.4

In Russia's overall foreign trade in 1994, its biggest partner continued to be Germany (13 percent of total trade), followed by the United States (7.3 percent), Great Britain (6.4 percent), Italy (5.7 percent), China (5 percent) and the Netherlands, Switzerland, and Japan (4.8-4.2 percent). The main trends with respect to the change in the geographic structure of Russia's foreign trade continued and even somewhat intensified.

According to the figures of the RF State Statistics Committee, trade with the industrially developed countries rose by 21.1 percent in 1994 compared with 1993, with exports increasing 21.8 percent and imports rising 20.2 percent. Trade relations with all other regions of the world continued to shrink. Over the same period, trade with the developing countries declined by 11.3 percent, with exports dropping 4.5 percent and imports 20.4 percent; trade with the former COMECON partners dropped 18.7 percent, with exports declining by 20.5 percent and imports by 16.6 percent; trade with the PRC declined by 13.2 percent, trade with the DPRK [Democratic People's Republic of Korea] by 11.9 percent, and trade with Laos and the republics of the former Yugoslavia by 14.8 percent. During the past year Russia's trade relations with the Baltic countries expanded; total trade rose by 16 percent, with Russia's exports rising 25.9 percent and its imports dropping 18 percent.

The regional geographic structure of Russia's trade and its quantitative numbers depend to a certain extent on foreign-economic relations with the industrially developed countries. Its main partner is **Germany**. Germany's leadership is due to the high quality and variety of the goods it supplies (motor vehicles and automotive parts, audio and video equipment, home appliances, cosmetics and perfumes, furniture, garments and footwear, medical products, food, etc.), along with their comparatively low wholesale prices and territorial proximity that substantially reduces delivery costs. Relations with Russian firms that have been maintained since former times, as well as the stability of the German mark, are also a significant factor.

Lately, however, the export-import exchange between Russia and Germany has been declining. German experts see the reason for this as Russia's difficult situa-

tion: general political and economic instability, a shortage of foreign exchange, an underdeveloped legal basis for foreign economic relations, persisting inflation, the failure to regard contract terms as absolutely binding, and transportation problems. Experts from other foreign countries point to the same difficulties.

In 1994 Russian imports of producer goods from Germany declined substantially, although trade in consumer goods increased. For example, because of a lack of funds Russia stopped purchasing railroad passenger cars. In addition, the favorable terms that had previously governed imports from East Germany were revoked starting in 1994.

As of 1 July Russia fell into the least favored category of foreign economic partners, to which the highest insurance premiums are applied; exporters must pay them to the **Germes** insurance company to guarantee export credits. Whereas Russian partners had previously enjoyed certain advantages in purchasing equipment, now exports to the Russian market cost German exporters more than in most other states, and that is holding down foreign trade between the two countries.

In 1993-1994 trade relations between Russia and **Great Britain** picked up. In 1994 total trade between them exceeded \$4 billion; Russia's exports came to \$3.5 billion and its imports to \$600,000. Great Britain's recovery from a period of recession and its businessmen's preparation for deepening cooperation with Russia made it possible in just the first months of 1994 to double the total trade between them compared with the same months of 1993. The structure of exports from Russia to the British Isles provides grounds for predicting stability in their trade.

Italy has been one of Russia's biggest trading partners in the past few years. In terms of overall trade, it occupies third place among the European states after Germany and Great Britain (about \$4 billion a year). Energy resources dominate among Russian exports (75 percent), although exports of other industrial goods have shown an increase. However, the diversification of exports is being held up by Italy's sizable and chronic deficit in reciprocal trade (in 1993 it was \$3,389 trillion

lira). Traditional imports from Italy are consumer goods, furniture and certain types of equipment.

Trade between Russia and **Switzerland** has been growing. In 1993 alone it rose 20 percent, and in 1994 it rose another 40 percent. In recent years the role of private enterprise in trade has grown. The May 1994 signing of an Agreement on Trade and Economic Cooperation and the formation of the corresponding intergovernmental commission provided an additional impetus to the development of relations.

Trade with **Finland** has been expanding. In 1993 Russian exports rose 17 percent to 7.8 billion marks, and in the first half of 1994 alone they rose to 5.7 billion (by 25 percent). The main commodities in Russian exports are petroleum and petroleum products, natural gas, timber and chemical goods. Finnish exports are dominated by machinery (approximately two-fifths), in which equipment for electronic automated telephone stations occupies a substantial place. In 1994 deliveries of food increased (threefold), as did deliveries of manufactured consumer goods. The further expansion of reciprocal trade may rest on the implementation of plans for defense-industry conversion in Russia, the sale of the byproducts of the metal-working industries in substantial quantities on the Finnish market, and the placement of new Russian shipbuilding orders.

France, with its promising market, buys energy sources, chemical goods, ferrous metals, conifer lumber, and certain types of machinery. The relative position of natural gas in the structure of France's energy consumption has been rising significantly, which creates favorable prospects for Russian exporters. The same can be said about lumber, the demand for which is linked to a pickup in construction.

Russian-American trade relations have been developing. By the end of 1993 Russian exports to the **United States** totaled \$2 billion, twice the 1992 level. At the same time, imports decreased substantially (from \$2.9 to \$1.5 billion), mainly as the result of a sharp drop in grain purchases. In 1994 trade and economic relations between the countries were held down by the American side's continuation of its restrictive policy toward Russian export goods (uranium, textiles, ferro-silicon, and a number of other goods).

Relations with **Japan** picked up somewhat. Trade with it rose by 3.8 percent in 1993, and in 1994 it became one of Russia's top ten trading partners. Intergovernmental consultations on trade and economic issues were held in June 1994, and in November O. Soskovets, Russia's first deputy prime minister, visited Japan. The present state and future prospects of cooperation for the next few years were discussed with respect to a number of

specific projects, including projects in the petroleum, gas, and timber industries, and projects to develop resources in the Far East region. Implementation of the accords that were reached will open the way to an increase in reciprocal exchange.

China holds one of the leading places in Russia's trade. Granted, so far bilateral relations have been based on barter (about 70 percent of reciprocal trade). In 1994 barter started to break down, and in just the first quarter of that year trade between the two countries dropped by 40 percent. Despite the difficulties, even in 1994 China remained one of Russia's main partners in terms of total reciprocal export-import operations. Prospects for the development of trade and economic relations will depend on the implementation of seven Russian-Chinese agreements signed by V. Chernomyrdin during his visit to China (in early 1994)—in particular, the agreement to strengthen cooperation in the field of military technologies.

The 1993-1994 period saw a certain pickup in Russia's trade and economic cooperation with the states of **East-ern Europe**, despite their continuing decline as a proportion of Russia's overall trade. Continuing reciprocal technological and production relations, geographical proximity, and a fairly good orientation in a familiar market are a good basis for expanding business contacts. The East European countries' attempts to rapidly reorient their trade toward the West have met with active resistance there. Therefore their "Western illusions" are being replaced with an understanding of realities and a new assessment of the Russian market. Hungary, Poland, the Czech Republic, and Slovakia have the best prospects for this.

Trade and economic cooperation between Russia and **Poland** declined sharply at the beginning of 1990, but in the past two years a turnaround has occurred. In 1993 trade between them came to \$2.7 billion, and in 1994 it rose another 60 percent. Russia, however, still accounts for only 10 percent of Poland's total trade. Certain prospects for increasing trade are linked to the signing in the past year and a half of about 40 new Russian-Polish documents regulating trade and economic relations.

The signing of trade and economic agreements during V. Chernomyrdin's March 1994 visit was a positive moment in business contacts between Russia and **Hungary**. A protocol on reciprocal deliveries in 1994 that was agreed upon during the visit by the heads of the countries' foreign economic departments opened up prospects for increasing trade through an increase in deliveries of agricultural products, foodstuffs, medicines, and buses to Russia in exchange for petroleum, energy sources and a number of other goods. The fact that

Hungary has concluded independent economic agreements with 20 Russian regions is contributing substantially to the expansion of trade. In 1994 such agreements were concluded with the Republic of Komi, Udmurtia, Bashkiria, and Ivanovo Oblast.

For the **Czech Republic** the Russian market was always one of its main ones. Following a considerable decline in reciprocal deliveries in 1994, a change for the better has occurred—trade is growing and an ever-increasing number of Czech trading firms and production enterprises are returning to the Russian market. Czech plants can and are prepared to export much more machinery-industry products (trolleys, trolleybuses, electric locomotives, and chemical equipment) and consumer goods than in the past two or three years, and in exchange not just for energy sources and metals but also for finished goods. For now, however, the raw materials orientation of Russia exports persists.

The prospects for Russia's trade relations with **Bulgaria and Romania** are less optimistic. Because of economic difficulties in those countries and the lack of regulation of the legal aspects of trade, it would be hard to expect a rapid pickup in cooperation with them.

Product Structure

The product structure of Russian foreign trade has remained virtually unchanged for many years, as has the list of goods that produce the greatest foreign exchange earnings. On the whole, the structure of **exports** includes approximately 4,000 different types of Russian products, but the list of products that account for the greatest trade in terms of value is limited to just 10 items, including, first and foremost, oil, gas, nonferrous and precious metals, and diamonds.

In 1994, according to the information of the RF State Statistics Committee, fuel and energy sources accounted for 44.7 percent of total exports (in 1993—46.7 percent), ferrous and nonferrous metals and metal products accounted for 20.2 percent (16.4 percent), chemical-industry products accounted for 7.6 percent (6 percent), and timber and pulp-and paper-industry products accounted for 4.3 percent (4.2 percent). Machinery and equipment accounted for only 5.3 percent (6.7 percent); for the year, exports of them were down 11.8 percent.

Raw materials and, especially, energy sources were purchased by the West European countries (approximately two-fifths of total exports), the former republics of the USSR (one-fourth), and the East European states (one-fifth).

The main source of freely convertible currency continues to be fuel, energy sources and raw materials. So far the decline in production output has been the least in

the fuel and energy complex and the raw materials industries. In 1994 the level of petroleum production was 10 percent lower than in 1993, gas production was 2 percent lower, and the production of electric power was down 9 percent. For the fuel and energy complex as a whole, the decline was 6 percent, while production was down by 4 percent in ferrous metallurgy. On the other hand, the exports of those industries' products continued to increase. Thus, in physical terms, exports of crude oil rose by 13.6 percent, exports of petroleum products by 10.6 percent, exports of natural gas by 13.6 percent, exports of coke by 30.4 percent, exports of conversion pig iron by 50.3 percent, exports of ferrous metal alloys by 78 percent, nickel exports by 12 percent, aluminum exports by 3.6 percent, exports of uncut diamonds by 91 percent, copper exports rose 2.9 times, and so forth.

However, the economic effectiveness of fuel and raw materials exports has been declining. The actions of certain of our exporters who have strove to earn foreign exchange by any means possible, without taking changes in world prices into account, have had a negative impact in this connection.

For many other Russian exports, the situation in 1994 was relatively favorable, despite a considerable decline in production volumes. Thus, for the year the value of exports was up 10.9 percent for rough logs, 49.9 percent for plywood, 6.3 percent for pulp, 23.9 percent for newsprint, 33.9 percent for nitrogen fertilizers, 32.7 percent for potassium fertilizers, and 260 percent for cement. Exports of electric power, ammonia, and lumber exceeded 1993 levels. At the same time, there was a drop in exports of coal (by 11.4 percent), phosphorus fertilizers (by 91.1 percent), and asbestos (by 42 percent).

As for machinery-industry products, the situation continued to deteriorate. Only \$2.5 billion worth of them was exported in 1994. The main reasons for the decline in exports of machinery and equipment continue to be the decline in the production of them (by 47.5 percent for the year), their relatively non-competitive quality, unresolved questions regarding the provision of credit for production and deliveries, the obsolescence of production facilities, the lengthy time it takes to put up-to-date types of equipment into production, the disturbance of cooperative production relations because of the breakup of COMECON and the USSR, the problem of nonpayments, and the lack of a system for providing insurance and bank guarantees for exports. For all practical purposes, Russia exports a very limited variety of machinery products.

Negative changes have occurred even in previously stable and sizable exports of military equipment and arms.

The demand for Russian weapons has been declining, although in 1994 contracts were concluded with a number of developing countries and East European and Middle Eastern states for deliveries from Russia of fighter planes, helicopters, night-vision instruments and a number of other types of military equipment. For example, a contract was signed for the export of 18 MIG-29 fighters to Malaysia, and Pakistan's intention to purchase 60 SU-27 fighters was announced. China, which plans the rapid re-equipment of its national army with minimal involvement of Western countries, is a promising partner.

In 1994 Russian exports of arms and military equipment came to only \$1.5 billion. Overall, as the result of defense industry conversion and the cutback in budget allocations for defense, the share of total industrial output accounted for by military products declined from 52 percent in 1990 to less than 30 percent in 1994. In 1989 the USSR's share of world arms exports was 37 percent, and now it is less than 10 percent.

In Russia's imports, as in previous years, machinery-industry products are the leading category. In 1994 purchases of machines and equipment rose by 5.8 percent and came to 34 percent of total imports, and the value of imported equipment reached \$9.6 billion.

The share of imports accounted for by foodstuffs and raw materials for producing them rose substantially; it was 29.2 percent as against 22.2 percent in 1993. Imported chemical products accounted for 10.7 percent of imports (6.2 percent in 1993), light-industry products accounted for 6.8 percent (13.2 percent), and ferrous and nonferrous metals and metal products accounted for 3.5 percent (the same as in 1993).

Because of the shortage of foreign exchange and governmental measures adopted in 1994 to regulate export-import operations, imports of many types of goods declined substantially. According to the figures of the RF State Statistics Committee, the percentages of decline compared with 1993 were 71.2 percent for grain, 79 percent for flour, 34.6 for vegetable oil, 27.8 percent for unrefined sugar, and 31.5 percent for pasta products. At the same time, imports of frozen meat rose 4.5-fold, poultry imports 5.6-fold, powdered milk imports 2.6-fold, butter imports 2.4-fold, potato imports 5.6-fold, imports of citrus fruits 5-fold, and imports of fresh apples 3.2-fold.

One of the distinctive characteristics of food imports in 1994 was that food and flavoring raw materials (whole-bean coffee, tea, cocoa, citrus fruits, etc.) were purchased not from producer countries but from middle-man companies from Germany, France, Italy, Austria,

and Finland, which contributed substantially to an increase in prices.

As for imports of consumer goods and the products of other industrial branches, the picture here does not inspire optimism. In 1994 compared with 1993, imports of leather garments were down by 86 percent, imports of fur garments by 64 percent, imports of cotton fabrics by 13 percent, knitwear imports by 63 percent, imports of woven garments by 50 percent, and imports of leather footwear by 33 percent. Furniture imports increased 1.9-fold, imports of medicines 3.9-fold, imports of synthetic fabrics 1.7-fold, and imports of silk fabrics 1.3-fold. Purchases of aluminum concentrate, rolled steel, alcoholic beverages and soft drinks, and certain other goods were higher than in 1993.

For consumers, the decline in imports of a number of goods can be largely attributed to a decline in effective demand and relatively high retail prices, as well as the fairly high degree of saturation of the Russian domestic market. Thus, as of the end of 1994 the coefficient of saturation of the consumer goods market (the ratio of the number of cities in which a product was for sale as of the moment of registration to the total number of cities surveyed) was up 15 percent over 1993 and averaged 92 percent for the country as a whole.

This index showed a tendency to rise over the course of the year for both food and nonfood goods. Thus, the coefficient of saturation of the market with foodstuffs was 83 percent in January 1994 and up to 91 percent by the end of the year, while the coefficient of saturation with nonfood goods was 88 percent in January and 94 percent at year's end. Trade in beef, milk, eggs, confectioneries, tea, potatoes, vegetables and many types of light-industry goods experienced virtually no interruptions. Interruptions occurred in the sale of sugar and animal oil in the last two months of the year.

The figures cited for imports do not include substantial amounts of unrecorded imports, mainly of consumer goods. According to existing estimates, they amount to as much as 70 percent of official imports, and overall, unrecorded imports are estimated to have equaled 40 percent of official imports in 1994.

Trade Policy

Measures taken by the state to regulate foreign trade have had a considerable impact on the amounts, structure and regional distribution of Russian exports and imports. On the whole, the main areas of such regulation are in keeping with the objectives of the Russian economy and foreign trade and the carrying out of the reforms that have been begun, but there are also negative aspects—the fact that many aspects of the norma-

tive and legal base have not been fully worked out, and inconsistency and haste in taking certain decisions. Examples from last year's practice include the toughening of customs duties on imports and the application of domestic taxes to them.

Thus, a 10 March 1994 RF Government decree confirmed higher rates for import duties that were supposed to go into effect almost immediately—as of 15 March. Criticism from foreign trading firms and consumers resulted in the modification of the document. Ultimately the new rates were put into effect as of 15 March only for those goods on which duties had not been raised under the new tariff. For the rest, they went into effect on 1 July. Importers who had concluded contracts before 15 March and had justifiably criticized the decree's authors for not having informed them of the intended changes were given a breather.

In the 1994 import tariff, customs duties on many types of products were substantially increased. Whereas most foodstuffs and other goods of agricultural origin had previously been imported duty-free, now duty is charged on all foodstuffs (except olives, tea, and coffee). Thus, it is set at 20 percent for sugar, up to 15 percent for milk, meat, and dairy products, up to 25 percent for vegetables and meat and fish products, and up to 10 percent for animal fats and oils. Duties on cigarettes were doubled—to 30 percent.

Import duties were raised to 30 percent for passenger cars and to 46 percent for other vehicles. Tax rates were raised on components for electronics equipment, including computers (22-60 percent), home electronics and electrical appliances (20-30 percent), and raw materials and semi-manufactures for the textile, garment, and fur industries (10-25 percent). On average, import duty rates were doubled (to 15 percent). The purpose of introducing the new import duties is to protect Russian producers, increase the competitiveness of their products, and purge the market of inferior quality goods.

However, in the opinion of many specialists, the new import duties are causing just the opposite—an increase in retail prices, a squeezing of private enterprise in the foreign economic sphere, and a decline in imports, the effects of which already showed up in 1994. They are unhelpful to the development of production facilities based on imported technologies, raw materials, and other materials. Introduction of the new duties has been accompanied by an increase in import outlays, which means a rise in domestic prices. The increased duties are benefiting only a small number of Russian producers, which, lacking domestic competitors, will continue to dictate their prices, while their products are substantially

inferior to Western products in terms of quality and assortment.

An exacerbation of difficulties can be expected in the textile, garment, electronics, and electrical equipment industries in connection with the possible reduction (because of a shortage of foreign exchange and general decline in profitability) in imported purchases of raw materials and other materials and parts.

It is obvious that, in the short range, rising import tariffs will result in the thinning out of the domestic market and deterioration in the quality of goods, especially consumer goods. Today the Russian consumer market is fairly saturated with imported foodstuffs and consumer goods, but their importation is, to a considerable extent, carried out by private individuals and small importing companies, for which the new duties will mean losing their customary profit margin and, ultimately, getting crowded out of the market by larger organizations.

A toughening of the procedures governing the importation of goods by individuals is also affecting the quantity and structure of imports, especially consumer goods. The limited value of goods that a private importer may bring into the country (\$2,000) lays the basis for a further reduction in the amounts of "shuttle" imports and narrowing of the assortment of imported products.

At present, on instructions from the government, work is under way on a program for reducing import duties. It is planned for 10 years and will be implemented in stages. In the first stage (1995), ongoing adjustments in existing rates will be made. The next, three-year stage is more focused. In order to attract resources for purposes of modernization and economic recovery, it provides for reducing import duties for industries which, amid an acute shortage of financial resources, are the most capital intensive. In the final, five-year period, reductions in tariffs will be aimed at increasing the competitiveness of a number of economic branches, especially the processing industry, but the reduction in tariffs will have virtually no effect on agriculture, where a high degree of protectionism will be preserved.

The tax policy that is being followed is another factor that works seriously against an increase in imports. In order to protect Russian producers, as well as to create a uniform tax regime for Russian and imported goods, since the beginning of 1993 the system of taxation previously used only in domestic trade has been applied in the foreign-trade sphere. This refers to excise taxes and the value-added tax. In many cases, the value-added tax rate (20 percent of the customs value of goods) makes imports unprofitable. Granted, a group of certain socially important goods (for example,

foodstuffs, children's products, medicines) is not subject to the value-added tax.

The list of goods subject to excise taxes is rather extensive and encompasses 5 percent of all items. It includes wines and spirits, brandies, beer, champagne, tobacco products, passenger cars and trucks, inner tubes and tires for those vehicles, jewelry and diamonds, crystal, rugs and carpets, fur products, and natural leather products. Excise tax rates are continuously reviewed and revised upward or downward. At first they were set in the range of 10-90 percent, but today they were higher. Thus, the excise tax rate on imported champagne rose from 47 to 100 percent, the rate on ethyl alcohol made of food raw materials rose from 90 percent to 400 percent, the rate on strong alcoholic beverages rose from 100 to 200 percent, the rate on vodka rose from 85 to 250 percent, and the rate on beer rose from 40 to 400 percent. At the end of 1994 excise taxes on wines and spirits were somewhat reduced.

The measures being adopted with respect to the state regulation of exports are aimed at creating incentives. Whereas in 1992-1993 export duties covered up to three-fourths of Russian exports, now the list of goods subject to export duties has been reduced from 97 to 27 product groups. Exported machines and equipment are not subject to duty, and there are no quotas or licenses for them, either.

Maximum export duties have been reduced: the amount of specific rates has been set in the range of 1-64,000 ECUs [European currency units], whereas the range used to be 1-80,000 ECUs. The list of goods subject to quotas and licenses has become increasingly shorter. A 1 September 1994 order of the RF State Customs Committee opens broad areas for export activities; the removal of many restrictions is becoming a stimulus for an increase in exports.

State and Non-State Sectors

An important factor affecting the amounts and structure of Russia's trade is the increase in non-state participation in foreign economic relations. Only one-third of Russia's foreign trade is accounted for by centralized deliveries. Commercial organizations and private businessmen ("shuttle" merchants) have assumed great importance. Thus, of total import contracts concluded in 1993, commercial structures accounted for 54 percent; Russian industrial enterprise importers—for 11.1 percent; foreign-trade associations—for 3.2 percent; joint ventures—for 28.1 percent; and other participants—for 3.6 percent.

Commercial structures account for a relatively high proportion of exports—12.8 percent. State industrial-

enterprise exporters are the leaders at 67.2 percent, while foreign trade associations account for 9.3 percent and other exporters for 0.2 percent. In 1994 the positions of the non-state sector got stronger.

The importance of private business in supplying Russia's domestic market with foodstuffs, consumer goods, and a number of other products increases from year to year. In the estimate of Polish specialists, with total trade between Russia and Poland in 1993 put at only \$2.7 billion, unrecorded trade amounted to many billions of dollars.

Starting in 1991 and especially in 1992-1993, hundreds of thousands of Russians became involved in the shuttle-trading business, and the amount of goods imported by them is comparable with the imports of major regions. For example, more than 770,000 citizens of the former USSR traveled to China in 1993, primarily from Russia, which is nearly eight times the number who went there in 1989; more than 80,000 (204 times) traveled to the Republic of Korea, and 270,000 (six times) traveled to Turkey. The number of "shuttles" who traveled to the East European countries, especially Poland, for commercial purposes increased substantially. According to some estimates, the number of persons who make trips there for commercial purposes considerably exceeds the number going to China and Turkey.

Considering that the value of goods imported by one private businessman in 1993 on one trip was estimated at \$1,500-\$5,000, total "shuttle" imports to Russia evidently amount to \$3-5 million. It is the "shuttles" who are providing the real saturation of the Russian consumer market. The main types of imported goods are garments and footwear. They account for more than half of the value of imported goods. As of the beginning of 1994, "shuttle" merchants accounted for up to 70 percent of the garments imported into Russia and 30 percent of the audio and video equipment. According to the RF State Statistics Committee, total imports of garments and footwear by juristic persons, organizations and enterprises in 1993 came to \$2.7 billion, i.e., imports by "shuttles" equaled or even exceeded the operations of registered importers.

The share of the private sector in the structure of foreign trade, especially imports, is rising. In the estimation of experts at the RF Academy of the National Economy, in 1992 the private sector's share of total Russian trade amounted to 6.8 percent, while in 1993 it was already 14.3 percent. Private businessmen accounted for 5.1 percent of imports in 1992 and 25.9 percent in 1993. Imports carried out by the private sector were up 268 percent in 1993 compared with 1992, while centralized forms of imports were down 43 percent. In

1994 the same trends continued, since even after the new restrictions were introduced (in 1994 individuals could import only \$2,000 worth of goods duty-free) this activity remained profitable, although the absolute amount of "shuttle" imports declined compared with 1993.

In summation, the following basic conclusions can be drawn:

—the liberalization of foreign trade and advantageous exchange-rate and price correlations have stimulated a rise in export activity by Russian producers that will continue in the near future;

—the decentralization of imports and enterprises' difficult financial situation have resulted in a decline in imports and changes in their structure, and a greater orientation toward consumer demand;

—under the new conditions, official statistics poorly reflect the real state of Russia's foreign trade;

—the changes in the geography of Russian foreign trade occurred, by and large, at the beginning of the 1990s. In the next few years the rate of changes here will scarcely be substantial;

—the prospects for increasing Russian foreign trade depend directly on an overall change in the country's economic climate, the dynamics of domestic demand, foreign investments, incentive creating changes in legislation, and the improvement of the tariff and tax system.

***Concept for East Europe Foreign Trade Relations Detailed**

954F3445A Moscow *SEGODNYA* in Russian
5 Sep 95 p 10

[Article by Irina Rozenberg: "The MVES Is Promising an Expansion of Trade Relations With the Former Socialist Countries—*The Total Trade Turnover of Russia With the Countries of Eastern Europe Could Total More Than 18 Billion Dollars by the Year 2000*"]

[FBIS Translated Text] *The countries of Eastern Europe were the principal trading partners of the former USSR until the beginning of the 1990s—they had up to 40 percent of the overall foreign-trade turnover (without the GDR) in 1990. The European countries that were for-*

merly members of CEMA were the primary purchasers of Russian oil, gas, metals, timber and chemical products. More than 800 facilities in energy, metallurgy, chemicals, petroleum refining and transport were built and put into service within the context of collaboration in the construction of industrial enterprises with the technical assistance of the former USSR (in which Russia played the principal role).

The nations of Eastern Europe were in turn the principal suppliers to Russia of railroad rolling stock, buses, trams, medical equipment, pharmaceuticals, foodstuffs and consumer goods.

There was a collegium of the MVES [Ministry of Foreign Economic Relations] last week at which the conceptual framework for the development of the foreign economic relations of Russia with the Eastern European countries to the year 2000 was presented.

The developers of the conceptual framework noted that Eastern Europe (Bulgaria, Hungary, Poland, Rumania, the Czech Republic and Slovakia), as a historically extant sphere of interests of Russia as before, is one of the priority areas of its foreign economic policy. The countries of Eastern Europe play an important role in ensuring the economic security of Russia, as determined by the geographic location of the region, the depth of the mutual economic ties, and the existing infrastructure of oil and gas pipelines.

The fact that the trade turnover of Russia with the countries of Eastern Europe has stabilized in recent years (it has been 9.3 billion dollars in 1993-94) is a factor of no small importance for the development of foreign economic ties with those countries, in the opinion of MVES representatives. About 10 percent of the foreign trade turnover of Russia, and almost 15 percent of the trade turnover with the countries of Europe as a whole, falls to the share of the former member nations of CEMA today. The countries of Eastern Europe continue to play the principal role in providing imports for Russia for a number of imported goods. Some 25 percent of the imported cigarettes, for example, are Bulgarian, the Czech Republic provides 52 percent of the requirements of Russia for imported trucks, and Poland supplies 20 percent of imported medicines.

Foreign Trade of the RF With the Countries of Eastern Europe in 1991-94
and Forecast for 1995, 1996 and 2000 (millions of dollars)

Indicator	1991	1992	1993	1994*	1994**	1995***	1996***	2000***
Trade turnover	19518.0	12262.9	9327.6	8174.0	9326.4	12500	13880	18650
Exports	10702.9	7673.1	7136.7	5366.6	6519.0	8900	9940	12600
Imports	8815.1	4589.8	2190.9	2807.4	2807.4	3600	3940	6050
Net balance	1887.8	3083.3	4945.8	2559.8	3711.6	5300	6000	6350

*—according to data of State Statistical Committee and the GTK

**—according to data from the VNIKI with regard for corrections for gas

***—expert estimate

Some countries of Eastern Europe remain major trading partners of ours—Poland is in 11th place in trade with Russia, Hungary 12th, and the Czech Republic 15th, according to 1994 data. (The principal place in the imports from those countries today is occupied by foodstuffs, chemical goods and certain types of industrial equipment.) Russia moreover had a positive trade balance with all of the countries of Eastern Europe.

The inertia of the patterns of Russian exports to the countries of Eastern Europe is deepened by its raw-materials thrust—oil and natural gas today provide about 70 percent of their value. It is namely the remaining energy ties of the Eastern European countries

to Russia that reflects the volume of mutual trade turnover between our countries.

It should be noted that the deliveries of machinery and equipment—whose traditional suppliers were the nations of the former socialist camp—have declined appreciably in particular. According to statistical data from the partner countries, machinery and equipment make up 9.4 percent of Russian exports to Hungary, and just 2.8 percent to Rumania. Poland, Hungary and the Czech Republic have re-oriented themselves entirely to the import of the products of the machining industry of the Western European countries (this is associated with the refitting of production lines and the conversion of the industry of those countries to European standards).

Dynamic of Trade Turnover of the RF With the EC Member Nations in 1992-95* (billions of dollars)

Indicator	1992	1993	1994	1995**	1993/1992, percent	1994/1993, percent	1995/1994, percent
Trade turnover	52.3	25.4	31.3	41.6	48.6	123.3	132.9
Exports	38.7	16.1	18.9	24.5	41.5	117.4	129.6
Imports	13.6	9.3	12.4	17.1	68.6	133.6	137.9

*—the year 1995 without Austria, Finland and Sweden

**—expert estimate

Sources: 1991—State Statistical Committee and MVES; 1992 and 1993—"Foreign Economic Relations of the RF in 1993"; 1994—data of State Statistical Committee and GTK

After the political and economic transformations (the dissolution of CEMA, the conversion to settlements in SKV [freely convertible currency]), the trade relations between Russia and the countries of Eastern Europe have begun to wind down. The shortage of hard currency among the partners and the inability of Russian enterprises to pay, as well as the re-orientation of a number of domestic consumers to the higher quality products of Western consumers, have led to a complete halt in deliveries of some products from the former socialist countries (component parts and materials and consumer goods in particular). The considerable indebtedness of the former USSR to a number of Eastern European countries has become an additional factor blocking economic ties.

A further development of the trade relations of Russia with the countries of Eastern Europe is possible in the near future nonetheless, MVES specialists feel. They estimate that the trade turnover of Russia with those countries could stabilize at the 1992 level of 13.8 billion dollars in 1996, including exports of 9.9 billion dollars. Hungary, Poland and the Czech Republic, being the best

developed countries of Eastern Europe in the opinion of MVES experts, remain the principal partners of Russia.

Czech Republic. The decline in the trade turnover of Russia and the Czech Republic, in the opinion of representatives of the MVES, is occurring owing to the decrease in Russian imports (the reduction in procurements of machinery and technical products), given the stable export volumes from Russia, which is still a monopoly supplier of oil and gas to that country. Russian exports to the Czech Republic are more than 90 percent fuel and raw material commodities, including 80 percent oil and gas.

MVES experts feel that it will be difficult to expect an expansion of Russian-Czech trade in 1995-96, owing not so much to the difficulty of the sale of Russian industrial finished goods (the proportionate share of machinery, equipment and means of transport was 1.2 percent of exports in 1994) as to the possible re-orientation of the Czech Republic to the procurement of oil from other countries in connection with the start-up of the new Ingolstadt-Kralupy oil pipeline from Germany at the end of 1995.

Proportionate Share of Some Eastern European Countries in the Total Trade Turnover of the RF in 1991-95 (percent)

Country	1991	1992	1993	1994	1995**
Bulgaria	4.3	2.3	1.8	0.9	1.7
Hungary	3.7	3.5	3.8	2.5	2.5
Poland	4.2	3.8	2.6	2.7	2.9
Rumania	2.5	1.4	0.8	0.8	1.0
Slovakia*	5.7	4.8	1.5	1.2	1.4
Czech Republic*	—	—	2.6	2.3	1.7
Total	20.9	15.5	13.1	8.0	11.3

*—1991 and 1992, CSFR

**—expert estimate

Sources: 1991—State Statistical Committee and MVES; 1992 and 1993—"Foreign Economic Relations of the RF in 1993"; 1994—data of State Statistical Committee and GTK

At the same time, taking into account the competitive prices and high quality of Czech articles, the import volume of a whole series of goods (and diesel and electric locomotives, trams, trolleybuses, medical equipment and foodstuffs) could have been increased.

Hungary. Russia continues to hold second place behind Germany among the major trading partners of Hungary. Up to 2/3 of Russian exports are still comprised of fuel and raw materials, with machinery and equipment not more than 10 percent.

Some 30-35 percent of Russian-Hungarian trade is accomplished through Western intermediaries today. Even though agreement has been reached between the banks of both countries on the use of national currencies in mutual transactions, this system is not yet in effect owing to problems with financing. The question of creating a joint bank to support mutual trade turnover has also not been resolved.

Since quite a few Russian-Hungarian joint ventures have been created of late, industrial cooperation is being set up and plans are being worked out for the collaboration of Hungary with the Russian regions, MVES experts feel that there will not be a drop in trade turnover this year, and a small increase could even be expected in 1996.

Poland. The trade turnover between these two countries has undergone the largest changes in the direction of decline, owing to the marked differences in the stances of Poland and Russia on issues of the settlement of mutual indebtedness. The deliveries to Russia of Polish foodstuffs, with spirits accounting for about 50 percent of the total Russian imports from Poland, increased drastically (by four times) last year. The share of consumer goods in the overall total of Polish exports to Russia was 28 percent, and machinery and equipment about 20 percent.

The specific feature of the structure of Russian exports to Poland (90 percent are unprocessed raw materials) and the insufficiently long-term and stable nature of key export goods (natural gas and oil) impart an unstable nature to Russian exports to Poland.

The prediction of a relative increase in the overall amount of trade turnover of Russia with the nations of Eastern Europe by the year 2000 to 18.650 billion (recall that this value was 9.3264 billion in 1994) is exceedingly doubtful nevertheless. In assessing the overall prospects for the foreign trade of Russia with the countries of the Eastern European region, after all, once cannot forget the dangers of a further weakening of the export capabilities of Russia by virtue of the degradation of its production, scientific and technical potential.

Trade Turnover of RF With the Eastern European Countries in 1991-94
and Forecast for 1995, 1996 and 2000 (millions of dollars)

Country	1991	1992	1993	1994	1995**	1996**	2000**
Bulgaria	4108.8	1843.8	1251.0	855.3	1900	2100	2630
Hungary	3563.0	2722.4	2720.5	1940.3	2800	3370	4500
Poland	3995.2	3018.2	1839.9	2078.8	3200	3300	3500
Rumania	2391.0	1059.9	576.7	587.3	1150	1550	3500
Slovakia*	5460.0	3618.6	1100.3	945.1	1570	1670	2050
Czech Republic*	—	—	1839.2	1767.2	1880	1890	2470
	—	—	460.7	400.0	530	540	670

*—1991 and 1992, CSFR

**—expert estimate

Sources: 1991—State Statistical Committee and MVES; 1992 and 1993—"Foreign Economic Relations of the RF in 1993"; 1994—data of State Statistical Committee and GTK

The growing competition in the markets of the Eastern European countries is moreover having a negative impact on the development of Russian exports to the Eastern European countries. A consistently pursued policy of reducing and eliminating unilateral links to the fuel and power complex of Russia by the former socialist countries could lessen the demand for Russian power sources as early as next year. The entry into service of the Ingolstadt-Kralupy oil pipeline from Germany to the Czech Republic at the end of 1995 and the start-up of the gas pipeline linking Austria and Hungary in 1996 will also be reflected in the volumes of Russian exports.

The dependence of Russia on deliveries of a whole series of finished goods from the countries of Eastern Europe will also have a trend toward a further lessening, caused by a re-orientation toward the procurement of higher quality goods from the Western European countries and the launch of import-replacing types of production (buses, locomotives and other railroad rolling stock) at converted enterprises in Russia.

The developers of the conceptual framework for the development of the foreign economic ties of Russia with the countries of Eastern Europe have of course defined a series of steps able, in their opinion, to lessen the negative factors affecting the development of Russian trade and economic relations with the former socialist countries. The program consists of eight primary points and a host of additional provisions.

The dynamic of the collaboration of Russia with the Eastern European countries to the year 2000, however, aside from the aforementioned factors, will also be defined to no small extent by the pace of economic development of the latter. And whereas, according to the predictions of the experts, the level of economic development in Poland is 25 percent more, and in the Czech Republic 10-15 percent more, than the 1988 level by the year 2000, the economies of, say, Hungary and Slovakia will not reach the 1988 level by the end of the century, and the overall level of economic development in Bulgaria and Rumania will be 25 percent below the pre-reform levels.

***Russia, EU To Negotiate Textile Trade**

954E1486A Moscow *FINANSOVYYE IZVESTIYA*
in Russian 21 Sep 95 p 2

[Article by Aleksey Portanskiy, on "Business and Economics" page: "Moscow Proposes to the European Union Freedom of Trading in Textiles"]

[FBIS Translated Text] In November-December there are supposed to be negotiations between Russia and the European Union with regard to the trade in textiles,

for purposes of working out a new agreement. The preliminary consultations that occurred last week and that dealt with the topic of the future negotiations proved to be not very promising: EU does not yet agree to rejecting the establishment of quotas on the importing of Russian textiles, although similar goods are being imported into our country from the Commonwealth countries without any limitations.

When, in 1989, the USSR began negotiations with EU on concluding the first textile agreement, the country, being a net-exporter of textiles, without any special vacillations agreed to the establishment of quotas for its export, since that corresponded to international practice — we bought almost nothing, but sold a lot. In 1993 Russia and EU signed a new agreement that differs from the previous one only by the adjusted quotas, and decided to sit down at the negotiations table again in late 1995.

During that time the situation has changed fundamentally. Russia has become a net-importer of textiles. Whereas the export remains at the previous level of \$140 million a year and the quotas do not provide the opportunity to increase it, import from EU, judged on the basis of the 1994 results, came to \$580 million. Instead of transferring the difference of \$440 million to its textile industry, which is seriously in need of finances and technical retooling, we are forced to feed West Europe's textile business.

Trade in textiles and agricultural output remains a gray area in world trade, to which the GATT/WTO universal free-trade norms do not extend. World trade in textiles is regulated by the Multilateral Agreement on Trade in Articles Made of Fibers (MFA), which authorizes the participating countries to establish quotas for importing textile products by means of bilateral understandings. In the course of the negotiations in the Uruguay Round, it was decided to achieve a liberalization of the trade in textiles, by putting it under the GATT/WTO conditions, thus causing a loss of ten years.

In the situation that has developed, Moscow has the right to make corresponding symmetrical quotas on importing West European textiles, and that would completely correspond to the terms of the agreement that is in effect. But that is not the best way out: producers will get a breathing spell, but many consumers who use foreign fabrics will prove to be in a complicated situation. But, most importantly, this measure would not correspond to the overall course that is aimed at the liberalization of trade in Russia.

Therefore Moscow is inclined toward another alternative: as a country that is a net-importer, Russia would

agree not to apply the quota with respect to textiles being imported from EU, if Brussels would remove the quota on its part against our goods. Incidentally, such partners as the United States and Canada do not apply textile quotas to Russia. Objectively European Union would prove to be the winner, preserving for itself a promising and extensive Russian market, with the balance of the textile trade currently being sharply shifted in the direction of the EU countries.

Possible fears that Russia might be able after a certain period of time to dump its output on Europe are unfounded, taking into consideration the fact that the domestic textile industry operates completely on imported raw materials; manpower and electrical energy have become considerably more expensive; and the very state of the industry does not suggest optimism. But even if one imagines the improbable — an increase in Russian export by a factor of 10 — then even in that instance its share in the EU market would constitute just 5 percent (today it is 0.5 percent) of the total textiles being imported. That is, Russia is incapable of exerting any tangible influence on the textile business of the countries in European Union.

However, at the negotiations, that proposal by the Russian side was rejected under the pretext that, in that instance, Russia would obtain better conditions for access to the EU markets than the other CIS countries have, and that that would allegedly violate the principles of Brussels' commercial policy. The explanation is not very convincing, since the reason why the MFA exists is to allow the partners to come to understandings in a bilateral procedure.

Instead, EU proposes viewing the question of increasing the existing quotas on the importing of textiles. Moscow does not like this kind of approach, since that approach deprives it of a reliable prospect for its own textile industry, which currently is experiencing a serious need for foreign investments. But the foreign investor will come to us only in the event that there is a guarantee of complete freedom in trading with textiles with such trade partners as the EU countries are for Russia.

***Agreements With Belarus Signed**

***Joint Efforts To Deal With Consequences of Chernobyl**

954E1445A Moscow ROSSIYSKAYA GAZETA
(EKONOMICHESKIY SOYUZ SUPPLEMENT)
in Russian 16 Sep 95 p 14

[Agreement: "Agreement Between the Government of the Russian Federation and the Government of the Republic of Belarus Concerning Joint Actions in 1995

To Minimize and Overcome the Consequences of the Chernobyl Disaster"]

[FBIS Translated Text]

[Decree] Decree of the Government of the Russian Federation, 17 July 1995, No. 727, Moscow

"Conclusion of an Agreement Between the Government of the Russian Federation and the Government of the Republic of Belarus Concerning Joint Actions in 1995 to Minimize and Overcome the Consequences of the Chernobyl Disaster"

The Government of the Russian Federation decrees:

1. To approve the draft — which has been submitted by the RF Ministry on Affairs of Civil Defense, Emergency Situations, and the Elimination of the Natural Calamities, and coordinated with the interested RF ministries and departments — of the Agreement Between the Government of the Russian Federation and the Government of the Republic of Belarus concerning joint actions in 1995 to minimize and overcome the consequences of the Chernobyl disaster (appended).

2. To instruct the RF Ministry on Affairs of Civil Defense, Emergency Situations, and the Elimination of the Consequences of Natural Calamities to carry out, with the participation of the RF Ministry of Foreign Affairs, negotiations with the Belarusian Party and, upon the attainment of an understanding, to sign on behalf of the Government of the Russian Federation the indicated Agreement, authorizing the inclusion in the appended draft of the Agreement of any amendments or additions that are not of a fundamental nature.

[Signed] V. Chernomyrdin, chairman of the Government of the Russian Federation.

[Agreement] The Government of the Russian Federation and the Government of the Republic of Belarus, hereinafter called the Parties,

— basing themselves on the Agreement of Unification and Coordination of Efforts of the States Participating in the Commonwealth of Independent States to minimize and overcome the consequences of the Chernobyl disaster, which was signed on 21 January 1992 in Minsk,

— recognizing the need to accelerate the implementation of the achieve understandings;

— taking into consideration the peculiarities of the situation that is being created in the Russian Federation and the Republic of Belarus as a result of the Chernobyl disaster, as well as the objective need to coordinate the actions of the Parties with regard to minimizing and overcoming the consequences of the disaster; and

— realizing that the resolution of the problems of protecting the health of the population that has been subjected to the effect of radiation, as well as reducing the dosage loads on the population that is residing in territories that have been contaminated by radio nuclides (subsequently called "contaminated territories"), at the expense of carrying out rehabilitation measures and deactivation operations, the production of ecologically pure food products and the monitoring of the observance of the established standards when delivering them to the consumers, and developing a pharmaceutical base for resolving the medical tasks that are related to the disaster, requires additional financing,

have agreed to the following:

Article 1

For purposes of the further guaranteeing of coordinated actions, the exchanging of experience between specialists of the Russian Federation and the Republic of Belarus, participation in international measures dealing with problems of radiation protection and security, as well as the conducting of scientific-technical operations, the Parties will undertake joint actions in the following directions:

— the creation of unified systems for mathematical support of operations to compute the retrospective, current, and forecasted dosages of external and internal radiation of the population that is residing on the contaminated territories;

— the carrying out of computations to determine the content of Iodine-129 in the soil by the method of neutron-activated analysis on the basis of the institutes of the Russian Academy of Sciences and the Academy of Sciences of Belarus for the subsequent evaluation of the volumes of fallout of isotopes of iodine in 1986 on the territories of both states;

— the creation of a system of instantaneous notification of the Parties concerning emergency situations;

— the standardization of the procedures for evaluating the state of health, the creation of a unified register of the population's health, and the carrying out of purposeful measures to reduce the disease rate on the territories of both states that have suffered as a result of the Chernobyl disaster;

— the development of dialogue expert-information systems for making decisions about introducing effective protective measures in agriculture on the contaminated territories of both states;

— the development of a methodology for the comprehensive evaluation of the effectiveness of the protective measures to rehabilitate the contaminated territories on the basis of the "benefit-harm" approach;

— the economical-radiological substantiation of the measures that are being planned to be carried out, the necessary volumes of production and effectiveness of the protective measures in agriculture on the contaminated territories of both states in 1995;

— the study of the spatial distribution of Strontium-90 and transuranium elements with the preparation of the corresponding charts;

— the joint development of approaches to determining the conditions of habitation on the contaminated territories and the control levels of content of radio nuclides in agricultural produce;

— the exchange of instruments to organize a system of monitoring the content of radio nuclides in the organism of agricultural animals, and of other technical means that are being developed.

Article 2

The Russian Party will organize the treatment in Russian institutions of the most serious forms of diseases of residents of the Republic of Belarus that are linked with the effect of radiation on the human organism, and will also stipulate benefits, upon the concluding of treaties, for delivering to the Belorussian Party the medicines and medical equipment that are necessary for those purposes.

The Parties authorize the appropriate agencies to determine jointly a list and volumes of medicines to the delivery of which the preferential procedure for concluding treaties extends, as well as the procedure for reciprocal compensations when rendering medical assistance to the population that was subjected to the effect of radiation as a result of the Chernobyl disaster.

Article 3

In conformity with the Protocol Between the Government of the Russian Federation and the Government of the Republic of Belarus concerning the joint actions in 1992 to minimize and overcome the consequences of the Chernobyl disaster, dated 20 July 1992, in order to support the actions of the working group of the permanent conference of empowered representatives the Parties will make contributions in equal shares to a special fund, at the rate respectively of 40 million rubles each.

The unused funds in the special fund are retained in it in full volume for previously defined purposes.

Article 4

The Parties continue the joint financing of the construction of a medical preparations plant in the city of Grodno

for purposes of guaranteeing the activation of its first phase in 1995.

Article 5

The Russian Party will allocate in 1995 to the Belorussian Party 8 billion rubles for financing joint measures and projects according to the appendix.

Article 6

The joint projects and scientific-research operations will be formalized by the Parties by separate, additional agreements.

The Belarusan Party will assist the Russian Party in implementing on the territory of the Russian Federation measures to minimize and overcome the consequences of the Chernobyl disaster, including the designing and construction of housing and objects of the infrastructure in inhabited places that are situated on the contaminated territories.

Article 7

The Parties recognize as being in effect on the territories of their states the documents that certify participation in operations to eliminate the consequences of the disaster at the Chernobyl AES [nuclear power plant], the existence of radiation illness and disability that are linked with the Chernobyl disaster, as well as residency (work) on the contaminated territories, which documents have been issued in the proper procedure to citizens of the state of one Party.

The Parties extend to persons arriving from the territory of the state of the other Party with such documents (without their special re-registration) the benefits and compensations stipulated for those categories of citizens by the legislation of the receiving state.

Article 8

Disputes that arise in the course of implementing this Agreement will be resolved by the Parties by means of consultations and negotiations.

The Parties will carry out consultations and will coordinate their actions, including those pertaining to questions of international cooperation with regard to problems of the consequences of the Chernobyl disaster and other radiation disasters.

The Agreement goes into effect on the date of its signing.

[Photograph caption] Belorussia, approximately 20,000 persons were forced to leave their homes, that had suffered as a result of the Chernobyl tragedy. Many of them did not have any housing or any job. The "Belaya Rus" sovkhoz-combine in Minsk Oblast accepted more than 50 families who had resettled from Gomel and Mogilev oblasts.

Appendix

List of Joint Measures and Objects to Which Funds Allocated by the Russian Federation to the Republic of Belarus Are Being Sent

Content of measures	Expenditures (billions of rubles)
1. Completion of construction of first phase of medical preparations plant in the city of Grodno	2.5
2. Purchase of medicines and therapeutic and diagnostic equipment in the Russian Federation	1.6
3. Execution of scientific-research projects to reconstruct the dosages of radiation to the public of the Republic of Belarus; the evaluation of the disease rate and the medical treatment of those who have suffered (first phase of scientific-research projects on the topic: "Reconstructing the Dosages of Radiation in the Population That Was Evacuated from the Restricted Zones")	0.5
4. Construction of specialized dispensary in the city of Gomel for treating the population that has suffered in Bryansk Oblast of the Russian Federation and Gomel Oblast of the Republic of Belarus	2.9
5. Financial support of the execution of scientific-research and practical projects stipulated by Article 1 of this Agreement	0.5
TOTAL	8

***Agreement on Scientific-Technical Cooperation**

954E1445B Moscow ROSSIYSKAYA GAZETA
(EKONOMICHESKIY SOYUZ SUPPLEMENT)
in Russian 16 Sep 95 p 14

[Agreement: "Agreement Between the Government of the Russian Federation and the Government of the Republic of Belarus on Scientific-Technical Cooperation"]

[FBIS Translated Text]

[Decree] "Decree of the Government of the Russian Federation, 4 August 1995, No. 783, Moscow, on Signing the Agreement Between the Government of the Russian Federation and the Government of the Republic of Belarus on Scientific-Technical Cooperation"

The Government of the Russian Federation decrees:

To approve the draft — submitted by the RF Ministry on Cooperation With the States Participating in the Commonwealth of Independent States and by the RF Ministry of Science and Technical Policy, which has been coordinated with the RF Ministry of Foreign Affairs — of the Agreement Between the Government of the Russian Federation and the Government of the Republic of Belarus on Scientific-Technical Cooperation (appended).

To instruct RF Ministry of Science and Technical Policy to carry out, with the participation of RF Ministry on Cooperation With the States Participating in the Commonwealth of Independent States and the RF Ministry of Foreign Affairs, negotiations with the Republic of Belarus, to sign on behalf of the Government of the Russian Federation the indicated Agreement, and to authorize the inclusion in the proposed draft of amendments and additions that are not of a fundamental nature.

[Signed] V. Chernomyrdin, chairman of the Government of the Russian Federation

[Agreement] The Government of the Russian Federation and the Government of the Republic of Belarus, hereinafter called the Parties,

— taking into consideration the scientific-technical ties that have developed historically between the Russian Federation and the Republic of Belarus;

— desiring to develop and strengthen the cooperation between the two countries in the area of science and technology and thus to make a contribution to the economic and social development of both countries; and

— guided by the Agreement on Scientific-Technical Cooperation Within the Framework of the States Participating in the Commonwealth of Independent States, dated 13 March 1992,

have agreed to the following.

Article 1

The Parties will promote scientific-technical cooperation on the basis of the principles of equal right and mutual benefit, creating for that purpose the necessary organizational, legal, and economic-financial conditions.

Article 2

Cooperation within the framework of this Agreement will be based on the observance of the national legislation of each of the countries and the treaties that are to be concluded between the Parties.

Article 3

The initiators of the conducting of joint scientific-technical projects may be ministries and departments, scientific organizations, enterprises of various forms of ownership, institutions of higher learning, as well as the scientists of both countries.

The content of the cooperation and its economic and organizational conditions will be coordinated directly by the cooperating organizations of the Russian Federation and the Republic of Belarus on the basis of individual agreements, treaties, and contracts.

Article 4

The cooperation will be carried out in the following forms:

— the conducting of consultations dealing with questions of forming and implementing the scientific-technical policy in both countries;

— the carrying out of joint scientific-research programs and projects;

— the creation of joint scientific-research organizations, the formation of joint scientific collectives, as well as innovative enterprises that guarantee the assimilation of new technology and technological schemes;

— the carrying out of scientific projects in scientific-research institutions, industrial enterprises, institutions of higher learning, and the industrial parks of the other Party, as well as joint field research and expeditions;

— the mutual participation of scientists and specialists of each of the countries in scientific-technical developments;

— the carrying out of joint seminars, scientific conferences, and working meetings, and the organizing of exhibitions.

The cooperation may also be carried out in other mutually coordinated forms.

Article 5

The Parties will promote the guaranteeing of the access of both countries to the unique and latest experimental equipment, as well as the carrying out of joint efforts to develop, produce, and purchase it.

Article 6

The Parties will promote the creation of favorable conditions for the residence on the territories of both countries of scientists and specialists, and for the exchange of scientific instruments and equipment and scientific-technical documentation during the execution of joint research and developments.

Article 7

The Parties will develop cooperation in the area of scientific-technical information and will promote the exchange of scientific-technical and popular-scientific literature.

Article 8

In order to implement the cooperation, an invitation may be extended to representatives of organizations and institutions, scientists and specialists, and experts from third countries and international organizations.

Article 9

When conducting joint research and development the results of which may completely or partially constitute a state secret, or with the use of information constituting a state secret of one of the Parties, the Parties are guided by the national legislation of each of the countries, as well as the principles enunciated in the Agreement on the mutual guaranteeing of the preservation of secrets between states, dated 22 January 1993.

Article 10

For purposes of coordinating the joint research and development, as well as guaranteeing the effective implementation of this Agreement, the Parties will create a Mixed Russian-Belarusian Commission on Scientific-Technical Cooperation (subsequently called "Mixed Commission"), headed by the heads of the RF Ministry of Science and Technical Policy and the Science and Technological Schemes Committee of the Republic of Belarus Ministry of Education and Science.

Within the framework of the Mixed Commission, consultations will be conducted on questions of the state scientific-technical policy of both countries and its reg-

ulation by economic law, and the coordination of the high-priority trends in bilateral scientific-technical cooperation will also be carried out.

The Mixed Commission may use various organizational forms of scientific-technical cooperation with the purpose of the time-responsive and effective execution of the current work.

Sessions of the Mixed Commission will be held no less frequently than once a year, alternatively in the Russian Federation and the Republic of Belarus.

In order to organize its activity, the Mixed Commission develops and approves the appropriate statute.

Article 11

This Agreement does not affect the rights or obligations of the Parties that evolve from other international treaties concluded by them.

Article 12

This Agreement goes into effect on the date of the last written notification confirming the execution by the Parties of the appropriate procedures within the state that are necessary for its going into effect.

This Agreement will be in effect for five years and upon the expiration of that period will be automatically extended for the next five years, provided that neither of the Parties informs the other, no later than six months previously, concerning its intention to discontinue the action of this Agreement.

The discontinuation of the action of this Agreement will not affect the carrying out of projects being implemented in conformity with it.

*Russian-Turkmen Agreements Signed

*On Mutual Currency Convertibility

954E1443A Moscow ROSSISYSKAYA GAZETA
(EKONOMICHESKIY SOYUZ SUPPLEMENT)
in Russian 16 Sep 95 p 12

[Agreement: "Does a Payment Union Lie Ahead?: Agreement Between the Government of Turkmenistan, the Central Bank of Turkmenistan, and the Government of the Russian Federation, and the RF Central Bank on Measures To Guarantee the Mutual Convertibility and Stabilization of the Rates of the Turkmen *Manat* and the Russian Ruble"]

[FBIS Translated Text] The Government of Turkmenistan and the Central Bank of Turkmenistan, on the one hand, and the Government of the Russian Federation

and the RF Central Bank, on the other hand, hereinunder called the Parties:

- confirming their adherence to the creation of an Economic Union and to the gradual formation of a Payment Union;

- keeping in mind the functioning on the territory of both states of national monetary systems with the use as a legal payment means in Turkmenistan of the Turkmen *manat* and in the Russian Federation of the Russian ruble;

- taking into consideration the state of payment and settlement relations between Turkmenistan and the Russian Federation; and

- recognizing the necessity of carrying out further work to unify the existing legislation respectively of Turkmenistan and the Russian Federation that regulates currency relations,

have agreed on the following:

Article 1

The Parties proceed from the assumption that a necessary condition for achieving the mutual convertibility of the Turkmen *manat* and the Russian ruble is the gradual carrying out of measures by the Parties to stabilize their rates of exchange with respect to one another and to freely convertible currencies.

Article 2

The Parties will carry out measures to form a liquid currency market and will guarantee the functioning of domestic currency markets in Turkmenistan and the Russian Federation that operate in parallel.

The Central Bank of Turkmenistan and the RF Central Bank will guarantee the regular quotations of the rate of exchange of the Turkmen *manat* and the Russian ruble with respect to one another, which will be conducted on the basis of the correlation between supply and demand in the domestic currency markets of Turkmenistan and the Russian Federation or on the basis of the cross rate of exchange of the indicated currencies and the U.S. dollar.

The Parties will guarantee the unification of the mechanism of currency control and regulation.

Article 3

With the purpose of creating a developed domestic currency market and establishing a real exchange rate for the currencies, the Parties will carry out coordinated measures to create the most favorable climate for

developing trade between Turkmenistan and the Russian Federation.

Article 4

Settlements between economically operating subjects of the two states will be carried out in Turkmen *manats* or Russian rubles, or, in the event of mutual consent, in freely convertible currencies.

Article 5

The Parties will offer one another credit in Turkmen *manats* and Russian rubles in conformity with the legislation respectively of Turkmenistan and the Russian Federation.

Article 6

The Central Bank of Turkmenistan and RF Central Bank, when carrying out a rate-of-exchange policy, will take into consideration the cross rate of exchange that is developing between the currencies of Turkmenistan and the Russian Federation with respect to the U.S. dollar.

The regulation of the exchange rates of the Turkmen *manat* and the Russian ruble with respect to one another may be carried out by Central Bank of Turkmenistan and RF Central Bank by means of the use of the funds that are at their disposal in currencies of Turkmenistan and the Russian Federation.

Article 7

Central Bank of Turkmenistan and RF Central Bank may conclude agreements to carry out the mutual exchange of payment means (operations of the "SVOP" type), and to conclude agreements for buying and selling the Turkmen *manat* and the Russian ruble, as well as freely convertible currency.

Article 8

The Parties will take steps to make amendments in the corresponding legislative acts of their states with the purpose of guaranteeing the importing and exporting by individuals, in conformity with the requirements of the currency legislation of the Parties, of banknote cash currency of Turkmenistan and the Russian Federation, having established a procedure for creating on the territory of both states a network of exchange points for conducting operations with the banknote cash currency of Turkmenistan and the Russian Federation.

Article 9

This Agreement goes into effect on the date of the last notification of the fulfillment by the Parties of the internal state procedures that are necessary for this

purpose, in conformity with the national legislations of the governments of the Parties.

Completed in Moscow on 18 May 1995 in two copies, each in the Turkmen and Russian languages, with both texts having identical force.

***Turkmen Central Bank Chairman Comments**

954E1443B Moscow ROSSIYSKAYA GAZETA
(EKONOMICHESKIY SOYUZ SUPPLEMENT)
in Russian 16 Sep 95 p 12

[Article: "Comments by Khudayberda Orazov, Chairman of the Central Bank of Turkmenistan"]

[FBIS Translated Text] The desire to establish broad and mutually advantageous trade cooperation and to accelerate the process of creating an effective system of settlements between the states was the chief incentive for signing the Agreement between the Russian Federation and Turkmenistan concerning the measures to guarantee the mutual convertibility and stabilization of the rates of exchange of the Turkmen *manat* and the Russian ruble.

Without a doubt, among Turkmenistan's trade partners Russia occupies the leading place. Russia's share in Turkmenistan's foreign-trade turnover with the CIS countries has been traditionally high and constitutes more than 20 percent. On the other hand, Turkmenistan possesses a number of export-oriented production entities (cotton fiber, chemical raw materials, certain types of medical raw materials, etc.), in the output of which many Russian producers have a strong self-interestedness.

Agreements on cooperation in the area of communication, and on the encouragement of mutual protection of investments and a number of other agreements have been signed between the Government of the Russian Federation and the Government of Turkmenistan. An agreement between the Gazprom joint-stock company and the Turkmenistan Ministry of Petroleum and Gas concerning economic and scientific-technical cooperation in developing the gas industry has been signed and is already in operation. Financial experts from both countries are supposed to apply the maximum efforts to develop corresponding mechanisms for intergovernmental trade settlements and currency regulation that would guarantee the effective implementation of those agreements.

The pledges that have been assumed by the parties for stabilizing the rates of exchange of the national currencies, for forming a liquid currency market, and for guaranteeing regular quotations of the rate of exchange of the Turkmen *manat* and the Russian ruble are aimed at

providing a new impetus to the process of the gradual formation of a Payment Union.

Under conditions of the lack of a generally acceptable or clearly functioning system of mutual settlement and payments, the creation of the Payment Union will make it possible to change over from bilateral settlements to multilateral ones and to their broader balancing. The problems that Russia and Turkmenistan are attempting to resolve here are very similar. For example, in the foreign trade of the two countries there continues to be a high percentage of barter transactions — from 6 percent to 13 percent. Both sides have problems with nonpayments for export of natural gas.

At the same time, the completely valid functioning of the Payment Union presupposes both the formal (legislative) and factual removal of limitations on the acceptance and use of the national currencies of the states that are participating in the union as a payment means and limitations on other operations: the completely valid functioning of the currency market at which operations are being carried out for buying and selling of the national currency in exchange for the national currency of other countries that are participants in the Payment Union; the establishment of a real rate of exchange for the national currency (including the official one), that is defined on the basis of supply and demand at the currency exchange; the removal of administrative limitations for the normed distribution of material resources, etc.

It is necessary here to accumulate positive experience in establishing uniform quotations of the dollar, the Russian ruble, and the national currencies of the other CIS countries. The development of a single rate-of-exchange policy, in addition to creating equal conditions for the clients, will make it possible to increase the guaranteeing of the transactions and the competitive capability of the commercial banks.

On the part of the banking system of Russia and Turkmenistan, specific steps are already being taken, which are aimed at closer cooperation in the sphere of intergovernmental settlements and currency operations. A number of our commercial banks, such as Vneshekonombank, the Investbank AKB, Turkmenistan AKB, and the Gaz KB [commercial bank] already have a well-developed network of correspondent relations with the major Russian banks and make broad use of its advantages. The opening up of branches and representations of Turkmen banks in Russia will become a second step in this process.

There has also been movement in the opposite direction. Recently the Rossiyskiy Kredit joint Russian-Turkmen

bank received a license from the Central Bank of Turkmenistan. I have no doubt that it will be followed by other commercial Russian banks. The State Commodities and Raw Materials Exchange has been created and is successfully functioning in Turkmenistan, and there has been a stable conversion of the foreign cash currency, including Russian rubles, through a system of exchange points in commercial banks. During the past six months of the current year the population has expended 10.8 billion *manats* of their own income to acquire currency. The Central Bank constantly monitors the supply and demand at the cash currency market and periodically carries out the adjustment of the *manat* rate of exchange.

In general, in my opinion, the process of integrating the banking systems and the unification of the mechanisms of currency control and regulation are supposed to outstrip somewhat all the other integrational processes, creating for them a definite base and favorable conditions for development. At the same time it is necessary to have a definite period for developing on the territory of those states a completely valid currency market and for guaranteeing conditions for the convertibility of the national currency.

The integrational processes in the CIS are continuing to develop and are taking on increasingly varied forms — these include the concluding of customs unions and agreements governing free trade, and the expansion of the direct ties between the regions of the CIS countries.

***Creation of North-South Transport Corridor**

954E1443C Moscow ROSSIYSKAYA GAZETA
(EKONOMICHESKIY SOYUZ SUPPLEMENT)
in Russian 16 Sep 95 p 12

[Agreement: "Three Seas Away by Rail: Agreement Between the Government of Turkmenistan and the Government of the Russian Federation on Cooperation in the Area of Creating the North-South Transport Corridor Across the Territory of Turkmenistan and the Russian Federation"]

[FBIS Translated Text] The Government of Turkmenistan and the Government of the Russian Federation, hereinafter called the Parties,

— guided by the principles in the 31 July 1992 Treaty of Friendship and Cooperation Between Turkmenistan and the Russian Federation;

— striving to develop and strengthen the commercial and economic ties between themselves and third countries; and

— realizing the importance of the formation and development of international transport corridors,

have agreed to the following:

Article 1

The Parties have agreed to develop and improve all types of transport (motor, air, rail, maritime, and river) in the North-South corridor: St. Petersburg-Moscow-Astrakhan-Bekdash-Turkmenbashi-Gazandzyk-Gyzyletrek/Gazandzyk-Tedzhen-Sarakhs, having in mind the subsequent joining of it with the transport systems of Iran, Turkey, Pakistan, India, and other countries of the Persian Gulf and the Middle East and Pacific Ocean regions.

Article 2

The Parties have agreed to devote first-priority attention to cooperation in the area of constructing and operating the railroad lines Astrakhan-Bekdash-Turkmenbashi-Gazandzyk-Gyzyletrek/Gazandzyk-Tedzhen-Sarakhs, with the purpose of forming the transport corridor indicated in Article 1.

Article 3

The Parties will instruct the appropriate competent agencies to develop jointly the technical-economic substantiation for forming the North-South Transport Corridor and, upon the confirmation of its economic desirability, to study the possibility of attracting various investment sources to create the indicated corridor, and also to approve the joint Turkmen-Russian company for constructing and operating the new railroad lines, the basic task of which company will be the development of the North-South transport system in conformity with the legislation of Turkmenistan and the Russian Federation.

Article 4

The Parties have agreed that, in order to implement the projects stipulated by this Agreement, it is possible to involve in the cooperation enterprises and firms from the Parties and other countries, and international financial institutions.

Article 5

In order to coordinate the interactions in implementing the understandings that have been indicated by this Agreement, the Parties are to form a working Turkmen-Russian Commission from representatives of the appropriate competent agencies of the Parties.

Article 6

This Agreement goes into effect on the day of its signing and will be in effect until one of the Parties, no later than three months prior to the expiration of the calendar

year, states in written form its intention to discontinue its action.

Completed in Moscow, 18 May 1995, in two copies, each in the Turkmen and Russian languages, with both texts having identical force.

***Commentary on Transport Agreement**

954E1443D Moscow ROSSIYSKAYA GAZETA
(EKONOMICHESKIY SOYUZ SUPPLEMENT)
in Russian 16 Sep 95 p 12

["Commentary"]

[FBIS Translated Text] The Agreement on the creation of the North-South Transport Corridor is a great prospect with respect to guaranteeing the transporting of commodities from the European part of Russia over the Caspian, as well as Russia's rail network that was built according to the vertical, and back.

The projects that have been proposed by the Turkmen side for review interrelate with Russia's projects for remodeling the port of Olya — the icefree port near Astrakhan, where it is proposed to create a ferry crossing to the port of Krasnovodsk (Turkmenbashi). It is planned in this regard to expand the port in Krasnovodsk in order to accept ferries. The European Bank of Reconstruction and Development has announced at the present time a tender for the preparation of the technical-economic substantiation of those projects and is financing them in order to set up smooth communication from the port of Olya to Krasnovodsk. It must be considered that in Turkmenistan one of the sectors of the railroad runs from Krasnovodsk to Gazandzyk and then straight to the south, to Gorgan, and there an already straight railroad line runs by way of Teheran to Bender-Abbas (Persian Gulf).

The document has defined the construction of a railroad from Krasnovodsk by way of the isthmus of the Kara-Bogaz-Gol Strait, with exit at the station of Yeraliyevo in Kazakhstan, which is already the shortest route to Astrakhan. It is planned to create two competing sectors: one — rail, and the other mixed, rail-ferry. The preliminary computation has indicated that they both are viable and competitive. Joint Russian-Turkmen companies will assume the designing, construction, and subsequently the operation of these lines. Participation in these companies will be taken by banks and by state and nonstate companies, that is, all those who have an interest in these projects.

A project has been worked out with Pakistan for uniting the railroads from Kushka (the southernmost extremity of Turkmenistan) by way of Gerat, with an exit at the railroads of Pakistan. For Russia this is the shortest path

to a region with a population of 180 million, a major market for the output of machine-building complex, technology, and chemistry.

For Turkmenistan the benefit from these projects is obvious. It becomes a sector on the commercial route. According to estimates by specialists, the freight turnover with Iran alone may be 20 million tons annually, which will provide the opportunity to Turkmenistan to obtain additional profit and to create new jobs.

At the present time, from the Turkmen and the Russian side, working groups have been created for preparing the technical-economic substantiations and for creating joint Russian-Turkmen companies for participation in the North-South project.

***Russian-Iranian Contract No Threat to Nuclear Security**

95&A1149A Moscow YADERNYY KONTROL:
OBOZRENIYE PO PROBLEMAM ORUZHIIYA
MASSOVOGO UNICHTOZHENIYY V ROSSII I
NOVYKH NEZAVISIMYKH GOSUDARSTVAKH
in Russian Jun 95 No 6, pp 20-21

[Article by David Fisher, member of the board of the Programme for Promoting Nuclear Non-Proliferation [PPNN] (Great Britain), under "Polemics" rubric: "Exclusive: Why I Support the Russian-Iranian Contract. A Response to Professor Yablokov"]

[FBIS Translated Text] In the article "Several Questions With Respect to the Nuclear Deal With Iran" (YADERNYY KONTROL, No 5, pp 20-21), the esteemed Professor Aleksey Yablokov asserts: "The IAEA [International Atomic Energy Agency] is by its nature unable to stop the proliferation of nuclear weapons.... Despite the so-called 'control' of the IAEA, nuclear weapons have been created at least in Israel, Pakistan, India, the Republic of South Africa, and North Korea. It was not the IAEA but the United States that curbed the nuclear programs of South Korea and Taiwan.... To speak of the effectiveness of the IAEA in the nonproliferation area is the same as to present black as white." Professor Yablokov is right about one thing. The reputation of the guarantees of the IAEA was subjected to a serious test as a result of the discovery of the Iraqi nuclear program. This was a real shock: Iraq is a member of the Treaty for the Nonproliferation of Nuclear Weapons. There they have inspections, the result of which has been the complete inability to detect any significant military nuclear program. One of the explanations for such helplessness is the fact that prior to 1991 the IAEA carried out inspections only at facilities that were declared by the host country. Nevertheless, the IAEA was able to recover from its shock and to learn

the lessons of Iraq. There are at least three of these lessons.

—First lesson: "more qualitative reconnaissance." The IAEA must have a complete system of reconnaissance information to know what facilities to inspect and where. It is a matter of a system within the scope of the IAEA that would process information conveyed by national reconnaissance services as well as its own information, including on the export of nuclear materials, for it is precisely from the movement of nuclear materials and dual-purpose materials between countries that one can draw rather definite conclusions. But it is even more important to have permanent access to the information of national reconnaissance services, which in any event will have more detailed and extensive information than a special subdivision in the scope of the IAEA. Prior to the events in Iraq, the prevailing conviction at the national and international levels was that "reconnaissance is reconnaissance" and it acquires information that should not be shared with anyone at all. Iraq changed this conviction. Beginning in 1991, the administration of the United States started to turn over CIA information for the IAEA: what one should pay attention to above all in Iraq. As a result, it was precisely under the control and leadership of the IAEA that the entire Iraqi military-industrial complex was destroyed, blown up. Iraq is now under prolonged and very rigid inspection control of the IAEA. The United Nations is likewise monitoring the situation with respect to the destruction of the Iraqi programs in the area of chemical and biological weapons and long-range missiles.

The question of the establishment of a special reconnaissance subdivision in the scope of the IAEA was discussed repeatedly by the managing board of the IAEA, which includes representatives from 35 states. Most of the managers expressed fears that such a subdivision could become a kind of suprastate branch of the CIA, SVR, or Mossad. For this reason, Dr Hans Blik, general director of the IAEA, removed the question from discussion. Nevertheless, the managing board affirmed the right of the IAEA to obtain special information from national reconnaissance services, in particular satellite photographs and the like. At the same time, it was stipulated that the IAEA must be extremely precise with the information received in this way, for at this time there is a greater danger than ever of carefully planned disinformation.

—Second lesson: "the all-inclusiveness of inspections." The inspectors of the IAEA must be sent to any facility that appears suspicious to them for any reason.

—Third lesson: "close ties with the UN Security Council." The IAEA must work in closer contact with the UN Security Council in those cases when the circumstances require this. As an effective decision-making structure, the UN Security Council may contribute to the success of IAEA inspections in problem countries and at problem facilities.

All of these "lessons from Iraq" were considered by the IAEA in the course of its interrelations with North Korea, when that country decided to withdraw from the Treaty on the Nonproliferation of Nuclear Weapons. Also of considerable importance is the introduction of technical improvements making it possible to perform monitoring with high sensitivity and high reliability, when at times it is sufficient to take samples of the air or river water to draw conclusions on the stage of development of the nuclear program.

How did the relations of the IAEA and North Korea develop? Initially the North Koreans provided the IAEA 90 grams of plutonium, saying: "This is all that we have, this is all that we ever produced." They also asserted that this plutonium was produced in the course of a single operation. The IAEA monitored the situation and came to the conclusion that the North Koreans were lying. At the same time, the United States turned over to the IAEA photographs taken by spy satellites that depicted two secret plants, about which the North Koreans had not declared anything to the IAEA. The IAEA demanded a special inspection. The North Koreans answered: "no." The IAEA then pointed out to the North Koreans that they were thereby violating an agreement on IAEA guarantees. Pyongyang announced that it was withdrawing from the Treaty on the Nonproliferation of Nuclear Weapons. Three times the IAEA reported the situation to the UN Security Council. Despite obvious proof (including reconnaissance information and the results of monitoring), the Security Council was not sufficiently demanding, although the reason for this is well known—a Chinese veto of any rigid decision with respect to the Democratic People's Republic of Korea. An extremely useful role was played at this time by former President of the United States James Carter, who convinced the North Koreans to begin negotiations with the United States. As a result, the United States and the Democratic People's Republic of Korea agreed that the nuclear program would be frozen in response to the delivery of light-water reactors, which are much less dangerous with respect to the production of nuclear materials that could be utilized for military purposes. In this way, the energy program of the Democratic People's Republic of Korea was not disrupted.

The example of North Korea shows that the IAEA has made significant progress in the area of the

discernment of underground nuclear production. Of course Professor Yakoblov is right in saying that this did not give the IAEA additional possibilities physically to force violating countries to abandon their plans. Indeed, the IAEA lacks special militarized subdivisions. Nevertheless, a decision on armed or other forceful action against a violating country can be made by the UN Security Council, which does have these powers in the event that the majority of its members so decide and if there is agreement among its permanent members. For this reason, the arguments of Professor Yakoblov are hardly completely well-founded with respect to the IAEA. But they are even less well-founded in that part of his article in which he directly calls on Russia to renounce the contract with Iran.

Let us take just a few facts:

—Iran is a member of the IAEA. All of its territory is under the scope of IAEA inspections. Iran has declared: "The IAEA may inspect any place in our territory. The inspections may be carried out at facilities that we have declared as well as at facilities that arouse the concern of the IAEA for any reason. In no case will we hinder the inspections of the IAEA in any way." And the IAEA has carried out such inspections twice. Both times they inspected three facilities declared by Iran and three facilities of concern to the IAEA (probably on the basis of information obtained from the CIA [Central Intelligence Agency]). Both times the IAEA inspectors detected absolutely nothing that would arouse even the slightest suspicion of a violation by Iran of its obligations in the scope of the Treaty on the Nonproliferation of Nuclear Weapons or IAEA guarantees. I, in particular, received detailed information on the results of the second inspection from a colleague from the French agency for nuclear control who participated in it. I know him as a first-class specialist and I am convinced that he knows what he is talking about.

—The Americans recognize that at this time Iran does not have the possibility of building nuclear weapons. U.S. Secretary of Defense William Perry admitted (he made this statement while in Israel) that "Iran is many, many years away from the bomb." **But the Americans also say that they are not certain about the further intentions and long-term possibilities of Iran.** We, they continue, do not understand why Iran would develop a nuclear program when it has such enormous reserves of oil and gas. For this reason, the United States did not raise this question before the Shah of Iran, who developed a nuclear energy program in the 1970's, building 23 nuclear power stations. Did Iran really have fewer proven reserves of oil and gas than now? American, German, and French companies

competed for the right to implement this grandiose program but no one at the time spoke of the possibility of a military confrontation. What has changed since then? Only one thing: the shah was deposed and the regime that came to power is perceived by the United States as hostile.

—The Americans are worried that a light-water reactor of the type VVER-1000, which Russia will deliver to Iran under contract, may contribute in the long term to the development of an Iranian military nuclear program. And at the same time, they are literally imploring that a reactor of this type be built in North Korea, a country that violated the guarantees of the IAEA and intended to withdraw from the Treaty for the Nonproliferation of Nuclear Weapons (Iran never allowed anything like that for itself), telling the North Koreans and the entire world how a light-water reactor is safe from the point of view of nuclear nonproliferation. We also remember the pressure to which the FRG was subjected when it intended to build an analogous reactor in Bushehr, where it will now be built by the Russians.

—Despite the worry that Iranian specialists "will gain nuclear knowledge in Moscow," it is well known that Iran already has a large number of high-class specialists in nuclear physics—scientists and engineers. Many of them left Iran after Khomeini came to power. The Iranian authorities are now doing everything they can to convince them to return to their homeland. **Be that as it may, it is impossible to prohibit the teaching of nuclear physics or to hinder it.** Possibly Professor Yablokov would also propose the prohibition of the study of higher mathematics and physics at Iranian universities? The training that the Iranian specialists will receive in Moscow will make it possible for them to effectively and reliably service those light-water reactors that Russia will build and to increase their knowledge in the area of nuclear security but by no means in the area of the construction of nuclear bombs!

As I understand it, Russia intends to deliver to Iran only **light-water reactors. This is now the most widespread reactor type in the world.** The IAEA has carried out about 200 inspections of such facilities and there is only one conclusion: they can easily be put under guarantees of the IAEA and are easily inspected. Yes, they produce some quantity of plutonium. But this is plutonium that is extremely difficult to use for the building of nuclear weapons. Precisely this, by the way, was the motive of the United States when it was trying to convince North Korea to go over to the light-water type of reactor. It is not without reason that the United States is selling precisely such reactors throughout the world: to Japan, South Korea,

the Republic of South Africa.... Not a single warhead ever produced by the nuclear five and Israel utilizes this type of plutonium. They prefer, of course, the much higher-quality plutonium-239. So I have no doubt that IAEA can control the new Iranian nuclear facilities and it can do so with no problems.

It would be another matter if Russia nevertheless decided to sell to Iran a gas centrifuge, or to build a centrifuge plant for the enrichment of plutonium, or to take some similar step. Then I would say that the concern of the United States was in part justified. It is important that the part of the Russian-Iranian protocol on the question of the centrifuge plant has been revoked. The concern of the United States would also be justified in the event that Russia delivered to Iran some type of reactor other than the light-water type; not with respect to the IAEA inspections, for inspections would still be an effective instrument. But with respect to the plutonium itself—by delivering some other type of reactor, Russia would essentially be putting weapons-grade plutonium in the hands of Iran. It is curious that in 1976 it was precisely the United States that was preparing to put weapons-grade plutonium in the hands of the shah. A deal was already prepared for the construction of a nuclear power station intended for the production of nuclear energy for Iran and neighboring countries with the support of the United States. Under the plan, this facility was supposed to supply plutonium for 23 nuclear power stations planned by the shah and also to Turkey and other neighboring countries. It is possible that this plan would have been carried out if Khomeini had not come to power in Iran....

The attempts by the United States to apply pressure are in part explained by political reasons. One of them is pressure on the Clinton administration by the powerful Israeli lobby. Many people in Israel are convinced that precisely Iran is becoming Israel's real main enemy after the destruction of Iraq's nuclear facilities. For this reason, the Israeli lobby in Washington actuated a propaganda machine that is working against the

Russian-Iranian deal. Whatever other reasons there might be for the nonacceptance of the Russian-Iranian contract by the Clinton administration, **Russia should fulfill its obligations to Iran.**

At the same time, it is possible that the wisest policy on the part of Russia would be to make the fulfillment of the contract with Iran contingent upon a number of provisions (similar to those that were included in the agreement between the United States and the Democratic People's Republic of Korea). The most significant is the following: after extraction from the reactor, spent nuclear fuel should be brought back to Russia. I understand that Russian legislation still impedes this process. It nevertheless appears to me that it would be possible to explain to the deputies of the State Duma how important it is from the point of view of nuclear nonproliferation to remove spent nuclear fuel from the Bushehr Nuclear Power Station. It would also be possible to remind the deputies of the Duma that the policy of the USSR of "removing all spent nuclear fuel from countries with Soviet reactors without leaving a single gram of plutonium" received the highest assessment in the world from the point of view of the observance of the letter and spirit of the Treaty on the Nonproliferation of Nuclear Weapons. The fact that Russia has recently been declaring its willingness to take spent nuclear fuel out of Iran and Iran itself does not object leads to the idea that this argument of the opponents of the contract has also become superfluous.

[Box]

David Fisher is a former deputy general director of the IAEA. He is one of the most authoritative specialists in questions of nuclear arms control. At the present time, he is a member of the board of the Programme for Promoting Nuclear Non-Proliferation. He is a private consultant. He represented the Frankfurt Institute for Peace Problems at the conference on the extension of the Treaty on the Nonproliferation of Nuclear Weapons.

Political Issues

*Lists of Organizations Registered To Vote

*All-Russian Public Associations

954E1317A Moscow ROSSIYSKAYA GAZETA
in Russian 25 Aug 95 p 5

[List of associations]

[FBIS Translated Text] The Central Election Commission of the Russian Federation, in accordance with the Federal Law "The Election of Deputies of the State Duma of the Federal Assembly of the Russian Federation," and based on data of the Ministry of Justice of the Russian Federation as of 17 June 1995, submits the:

List of All-Russian Public Organizations Whose Charters Stipulate Participation in Elections to Bodies of State Power and Are Registered by the Ministry of Justice of the Russian Federation

Agrarian Party of Russia (registration number 1647)

Agrarian Union of Russia (210)

Association of Lawyers of Russia (14)

Association of Accountants of the RSFSR (190)

Association of Military Journalists (685)

Humanitarian Aid Association (589)

Association for the Spiritual Rebirth of Science (640)

Association of Women Entrepreneurs of Russia (149)

Association of Investors and Exporters of Russia (2602)

"Innovation" Association (84)

Association of Koreans of Russia (596)

Association of Cosmonautics of Russia (1230)

Association of Flight Personnel of Russia (517)

"Business, Science, Culture" Marketing Association (266)

Association for the Development of the Private Initiative of Citizens (ARChIG) (2187)

Russian Press Association (362)

Association of Russian Workers of Law Enforcement Bodies (ARRPO) (1146)

Association of Rescue Formations of the Russian Federation (Russian Rescue Corps) (111)

Association for the Formation of Health of the Adolescent Generation (90)

Non-Party Public Political Movement-95 Union of Public Organizations of Workers of Culture, Science, Education and Ecology (2618)

All-Russian Association of Patent Agents (VAPAT) (722)

"Zagrada" [meaning not known] All-Russian Association for the Social Protection of Citizens (457)

"Last Military Draft" All-Russian Public Organization of Veterans and Participants of the Great Patriotic War (1107)

All-Russian Organization of Veterans (Retirees) of War and Labor, the Armed Forces and Law Enforcement Bodies (535)

All-Russian Party of Human Safety (2603)

All-Russian Fund for Rehabilitation of and Aid to Victims of Stalinism and Labor Army Internees (490)

All-Russian Public Fund for Protection Against Unemployment (288)

"Rebirth of State Power [Derzhava]" All-Russian Youth Union (2656)

All-Russian Triathlon Union (77)

"Renewal" All-Russian Union (political party) (1331)

All-Russian Fund for Progress, Protection of Human Rights and Charity (483)

All-Russian Fund for the Social Protection of Former Servicemen (203)

All-Russian Fund for the Social and Legal Protection and Rehabilitation of Invalids (156)

"Morskoye Kumpanstvo" [meaning not known] All-Russian Fund of Traditions and Relics of the Domestic Fleet (489)

All-Russian Scientific Society of Anatomists, Histologists and Embryologists (486)

All-Russian Scientific Society of Sociologists and Demographers (2183)

"Association of Independent Trade Unions" (ANP) All-Russian Public Political Movement (1974)

"Russian Union of Local Self-Government" All-Russian Public Political Movement in Support of Local Self-Government (1993)

"Spiritual Legacy" All-Russian Public Political Movement (3000)

"Russia Is Our Home" All-Russian Public Political Movement (2729)

- All-Russian Public Political Movement of Transport Workers (3003)
- All-Russian Society of Invalids (VOI) (536)
- "Dawn of Russia" ["Zori Rossii"] All-Russian Society for Ties and Interaction With Countrymen Abroad (373)
- All-Russian Society of the Blind (432)
- All-Russian Water Rescue Society (OSVOD) (127)
- All-Russian Society of Forensic Physicians (1142)
- All-Russian Society of Sobriety and Health (266)
- "Entrepreneurs for a New Russia" All-Russian Association (1941)
- Mining and Metallurgical Trade Union of Russia (165)
- "Veterans of Wars for Peace" Movement (361)
- "Democratic Russia" Movement (72)
- "Union of Spring" Voters Movement (2669)
- "For Social Justice" Mothers' Movement (2524)
- "Youth of Russia" Movement (2407)
- "Soldiers' Mothers" Movement (196)
- "Creativity of Peoples in the Name of Life" Movement (Senezhskiy Forum) (626)
- "Union of Student Councils" Movement (2676)
- Democratic Party of Russia (DPR) (20)
- Deputies' Assembly of Numerically Small Peoples of the North, Siberia and the Far East (557)
- State Power [Derzhavnaya] Party (2390)
- European Liberal-Democratic Movement (YeLDP) (616)
- Historical-Enlightenment Fund imeni P.B. Struve (369)
- Committee of Soldiers' Mothers of Russia (217)
- Communist Party of the Russian Federation (1618)
- Congress of Civil Accord of Russia (2501)
- Congress of Journalists (442)
- Congress of National Associations (2376)
- Conservative Party (593)
- Constitutional-Democratic Party (Party of People's Freedom) (317)
- "KEDR" Constructive Ecological Movement (1851)
- Russian Peasants Party (KPR) (63)
- Liberal-Democratic Party of Russia (LDPR) (133)
- League of Cooperative Owners and Entrepreneurs of Russia (867)
- League of Independent Scholars of Russia (491)
- Moscow Convention of Entrepreneurs (321)
- People's National Party (2769)
- People's Party of Russia (315)
- People's Patriotic Party (1139)
- "Rebirth of the State Power [Derzhava]" People's Democratic Movement (2649)
- "Rus Reborn" People's Fund (549)
- National-State Party (NGP) (1960)
- National Republican Party of Russia (NRPR) (608)
- Independent Trade Union of Workers of Detective Services of the RSFSR (50)
- "Russian Union" Pannational Movement (2564)
- "Transformation of the Fatherland" All-Russian Public Organization (3007)
- "Democratic Alternative" All-Russian Party (2653)
- "Invalids of the Great Patriotic War" All-Russian Fund (2463)
- "NUR" ("Light") All-Russian Muslim Public Movement (3004)
- "Trade Unions of Russia to the Elections" All-Russian Public Movement (3001)
- "Union of Muslims of Russia" All-Russian Public Political Movement (3005)
- "Russia's Choice" All-Russian Political Movement (1967)
- Public Movement of Railroad Workers and Transportation Construction Workers (2724)
- "Rebirth" Public Association (2731)
- "Konstar" [meaning not known] Public Association (2614)
- "Public Political Movement 'Duma-96'" Public Association (2739)
- "Regions of Russia" Public Association (2586)
- "Yabloko" Public Association (2554)
- "Accord" Public Political Movement (2745)
- "Assembly of National-Democratic Forces" Public Political Movement (2377)

"Association of Indigenous, Numerically Small Peoples of the North, Siberia and the Far East of the Russian Federation" Public Political Movement (2174)

"Forward, Russia!" Public Political Movement (2667)

"Women's League" Public Political Movement (1957)

"For the Rebirth of the Cossacks" Public Political Movement (2644)

"Congress of Russian Communes" Public Political Movement (2551)

Public Political Movement of Youth (Union) (2613)

"New Russia" Public Political Movement (2717)

"The Future of Russia Is Education" Public Political Movement (2651)

"Creation" Public Political Movement (2342)

"Union of Rebirth" Public Political Movement (439)

"Union of Realists" Public Political Movement (2637)

"Stable Russia" Public Political Movement (2699)

"Tatar Cultural-Enlightenment Center" Public Political Movement (1017)

"My Fatherland" Public Political Association (2675)

"Russia Is the People's Movement" Public Political Association (2741)

"Russian Land Movement" Public Political Association (2032)

"Wiedergeburt" ("Rebirth") Society of Germans of the Russian Federation (621)

Society of Consumers of Automotive Technology of Russia (297)

"Alternative" Panfederal Political Movement (1989)

"Dignity and Charity" Panfederal Political Movement (1965)

"Common Cause" Association (2709)

"Business Roundtable of Russia" Association of Entrepreneurial Unions and Organizations (2186)

SOTsPROF Association of Trade Unions of Russia (303)

"Democratic Choice" Association of Advocates of Reform (Bloc) (1905)

Association of Ukrainians of Russia (2167)

United Democratic Center (2471)

United Front of Laborers of the RSFSR (104)

Majority Party (2177)

"All-Russian People's Congress" Party (3008)

"Democratic Initiative" Party (1956)

"Democratic Choice of Russia" Party (2364)

Party of Consolidation (1377)

Party of Constitutional Democrats of the Russian Federation (607)

Party of Beer Lovers (2365)

People's Capital Party (PNK) (2642)

"People's Union" Party (3002)

Party of the Scientific and Technical Intelligentsia (2747)

"Association for Tax and Legal Reform and Freedom of Trade" Party (1992)

Party of Russian Unity and Accord (1966)

Party of the Russian Assembly (3006)

Party of Self-Government of Laborers (2591)

"Union of Communists" Party (1262)

Party of Advocates of Tax Reduction (2754)

Christian-Democratic Union of Russia Party (458)

Party of Economic Freedom (1043)

Patriotic Movement for the Study of the Legacy of I.V. Stalin (2734)

"Women of Russia" Political Movement (1940)

"Young Social-Democrats of Russia" Political Movement (2500)

"Transformation" Political Movement (1969)

Right Party of Russia (2683)

"Fathers and Children" Legal Protection Association (201)

"Unity" Trade Unions of the RSFSR (191)

Trade Union of the Workers of the Agro-Industrial Complex of the RSFSR (62)

Trade Union of Water Transport Workers of the RSFSR (227)

Trade Union of Workers of State Institutions and Social Services of the RF (15)

Trade Union of Workers in the Timber Sectors (122)

Trade Union of Workers in Education and Science of the RSFSR (226)
Trade Union of Communications Workers of the RSFSR (167)
Trade Union of Workers in Construction and the Building Materials Industry of the RSFSR (475)
Trade Union of Health Care Workers of the Russian Federation (3009)
Republican Humanitarian Party (1961)
Republican Party of the Russian Federation (36)
Russian Association of Victims of Illegal Political Repressions (133)
Russian Association of Assistants of People's Deputies (573)
"A Future Without AIDS" Russian Charitable Association of Women (2744)
Russian Bourgeois-Democratic Party (368)
Russian Communist Workers' Party (RCWP) (585)
Russian Confederation of Free Trade Unions (92)
Russian Medical Association (2525)
Russian United Industrial Party (2691)
Russian Chamber of the Individual (469)
Russian Party of Motorists (2650)
Russian Party of Democratic Transformations (400)
Russian Greens Party (1962)
Russian Party of Communists (812)
"Russian Style" Russian Party (2433)
Russian Free Labor Party (452)
Russian Party of Social Democracy (2590)
Russian Penitentiary Association (ROPAS) (82)
Russian Social Democratic People's Party (293)
Russian Social-Liberal Party (791)
Russian Christian-Democratic Party (RKhDP) (309)
Russian Children's Fund (365)
Russian Science Fund (263)
Russian Independent Trade Union of Workers in the Coal Industry (245)
Russian All-People's Union (political party) (2293)
Russian Trade Union of Workers of Innovative and Small Enterprises (525)

Russian Trade Union of Workers of Culture (61)
Russian Trade Union of Workers in Television and Radio Broadcasting (308)
Russian Trade Union of Workers in Medium and Small Business (182)
"Physical Fitness and Health" Russian Republican Charitable Fund (551)
Russian Council of Kolkhozes and Other Forms of Management (1135)
Russian Council of Young Scholars and Specialists (560)
Russian Social-Economic Union (579)
Russian Union of Veterans of Afghanistan (2)
Russian Youth Union (11)
Russian Union of Industrialists and Entrepreneurs (554)
"Governors of Russia" Russian Union of Managers of Territorial Executive Bodies (1349)
Russian Creative Union of Workers of Culture (1)
Russian Fund for the Protection of the Rights of Citizens, Legality and Law and Order (318)
Russian Fund of Invalids of the War in Afghanistan (205)
Russian Fund of Invalids of Regional Conflicts and Special-Forces Subunits (2227)
Russian Christian-Democratic Union—New Democracy (political party) (1853)
Russian Power Technology Congress (1739)
Russian Democratic Reforms Movement (RDDR) (1132)
Russian Film and Video Technology Society (659)
"Reformation 21st Century" Russian Youth Movement (2197)
"People's Alliance" Russian Public Patriotic Movement (3010)
Russian Society of Historians and Archivists (656)
Russian Society of Timber Growers (4)
Russian Society of Sociologists (ROS) (352)
Russian Psychological Society (2528)
Russian Christian Democratic Movement (141)
Russian Economic Society of Servicemen (2236)

Russian Party (2578)
Free Democratic Party of Russia (699)
Council of Parents of the Servicemen of Russia (250)
Social-Democratic Party of the Russian Federation (27)
Social-Democratic Union (2531)
Socialist Party of Workers (418)
"Derzhava" ["State Power"] Social-Patriotic Movement (2597)
"Young Republicans" Union (1182)
Union of Architects of the Russian Federation (270)
Union of Boxers of Russia (95)
Union of Road Workers of Russia (2585)
Union of Women of Russia (80)
"Living Ring" Union (294)
Union of Journalists of Russia (384)
Union of Landowners of Russia (2714)
Union of Cossacks (779)
"Assembly" Union of Public Associations (1476)
Union of Writers of the RSFSR (106)
Union of Consumers of the RSFSR (59)
Union of Entrepreneurs and Lessees of the RSFSR (265)
Union of Beekeepers of Russia (328)
Union of Workers of Housing and Municipal Services of Russia (2552)
Union of Rural Youth (2397)
"Shield" Union for the Social Protection of Servicemen, Reservists and the Members of Their Families (105)
"Shield" Union for Social-Legal Protection of Servicemen, Reservists and the Members of Their Families (1626)
Union of Labor Collectives (1008)
"Chernobyl" Union of Russia (17)
Union of MZhKs [expansion, meaning not known] (1951)
"Iceberg" Creative Association of Protectors of Rights (518)
Tourist and Sport Union of Russia (119)
"DEMROSSIYa" Federal Party (2634)
Federal-Democratic Movement (2575)

Federation of Cosmonautics of the RSFSR (574)
Federation of Independent Trade Unions of the RSFSR (222)
Federation of Public Associations of Goods Producers of Russia (FTR) (1595)
Federation of Rock Climbing of Russia (2587)
Fund for the Safe Development of Civilization (681)
"Women's Initiative" Fund (936)
Fund for the Aid of the Russian Police (74)
Fund for the Development of Russia (2547)
National Salvation Front (1628)
"Host" Center for the Social Protection of Servicemen and the Members of Their Families (292)
Cherkessian (Adygo-Abazinskaya) Domestic Khose (247)
"Kedr" Ecological Party of Russia (2490)

***All-Russian Trade Union Organizations**

954E1317B Moscow ROSSIYSKAYA GAZETA
in Russian 25 Aug 95 p 5

[List of organizations]

[FBIS Translated Text]

List of All-Russian Trade Union Organizations Whose Charters Stipulate Participation in Elections to Bodies of State Power and Are Registered by the Ministry of Justice of the Russian Federation in Accordance With Decree No. 2057-1 of the Supreme Soviet of the Russian Federation of 18 December 1991

Association of Flight Personnel of Russia—Federation of Free Trade Unions of Flight Personnel of Russia (registration number 148/p)

Association of Trade Unions of Workers of the Non-Production Sphere of the Russian Federation (110/p)

All-Russian Trade Union of Workers of the Defense Industry (116/p)

All-Russian Association of Trade Unions (140/p)

United Trade Union of Workers of Enterprises in Public Services of the Association of Trade Unions of Russia SOTsPROF (137/p)

Trade Union of Machine Builders of the Russian Federation (145/p)

Trade Union of Workers of Automotive and Agricultural Machine Building of the Russian Federation (146/p)

Trade Union of Workers of State and Commercial Enterprises of Russia (35/p)

Trade Union of Workers of General Machine Building of the Russian Federation (29/p)

Trade Union of Soccer Players and Trainers of Russia (150/p)

Trade Union of Flight Personnel of the Russian Federation (55/p)

Russian Association of Student Trade Union Organizations of Higher Educational Institutions (53/p)

Russian Trade Union of Workers in Nuclear Power and Industry (30/p)

Russian Trade Union of Workers in the Electronics Industry (46/p)

Russian Trade Union of Workers of the Fishing Industry (24/p)

The Central Election Commission of the Russian Federation appeals to electoral organizations and electoral blocs not to give electoral associations and electoral blocs being formed names that are contained in the foregoing list. Identical names could lead to confusion in the course of pre-election campaigning and difficulties for the voters when voting.

Party, Bloc Election Prospects Analyzed

954F3511B Moscow ARGUMENTY I FAKTY
in Russian Sep 95 No 38, p 2

[Unattributed article: "Analysis"]

[FBIS Translated Text] Every party, movement, and bloc has been analyzed according to 10 parameters: development of organizational structures; intellectual potential; "administrative resources"; conformance of program provisions with public expectations; finances; leader charisma; popularity of slogans and popularity within the electorate; opportunities with respect to the mass media; readiness of the electorate to vote for the organization in question.

For certain parameters, only expert assessments were used (financial capabilities of the organization, for example).

For other parameters, sociological survey data were used (readiness of the electorate to vote for the organization, for example). In such instances, comparative data analy-

sis was conducted, data being provided by at least three sociological services.

According to data from the Center for Strategic Analysis and Forecasting, headed by D. Olshanskiy, the pre-election standing of associations for September 1995 is as follows: Russian Federation Communist Party—6.7; Yabloko—5.8; Liberal Democratic Party of Russia—5.7; Russia Is Our Home—5.5; Congress of Russian Communities—5.2; Agrarian Party of Russia—5.0; Women of Russia—4.8; I. Rybkin bloc—4.0; Party of Russian Unity and Accord—3.8; Party of Sv. Fedorov—3.7; OPBR [expansion not given]-FITUR [Federation of Independent Trade Unions of Russia]—3.6; Derzhava (A. Rutskoy)—3.5.

Shumeyko on Political Controversies

954F3535A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 21 Sep 95 p 2

[Interview with Vladimir Shumeyko by Aleksandr Gamov, under the "With Appetite: Recipes From Politicians and Swindlers" rubric; place and date not given: "Will You Go in With the Two of Us?"]

[FBIS Translated Text] To this proposal of the president's, Vladimir Shumeyko answered in the affirmative. Today, over a bottle of Komsomolka Vodka, the speaker of the upper chamber tells us of secret recipes of the big political kitchen.

After breakfast with the speaker of the State Duma ("In the Kremlin They Drink Kvass and Agonize About the Fate of the People," KOMSOMOLSKAYA PRAVDA, 27 June 1995) and tea with the prime minister ("Forty Minutes Alone With Chernomyrdin," KOMSOMOLSKAYA PRAVDA, 5 July 1995), the author of these lines received an invitation to dinner with the chairman of the upper chamber of parliament. He grabbed a bottle of Komsomolka (there is such a vodka), and at the appointed hour set off to see the third personage in the government.

Cold Hors d'Oeuvres

1. Salad of fresh tomatoes and onion, with sour cream.

2. Question to Mr. Shumeyko: Why, having found yourself in the political kitchen, do you always land in emergency situations—either you scald yourself with steam or grab a hot frying pan with your bare hands?

[Shumeyko] A serious question, previously I worked in Krasnodar and often travelled to Moscow. It seemed to me that the ministers and government leaders here were not like other people. But when I rose to the very top, I was very surprised to see this entire kitchen from close

up. It turned out that the people around me are entirely ordinary. And many of those whom I had imagined to be rulers of destinies themselves need to be led through life....

At one time, an investigation was conducted on the state of the cadres of the government, of the presidential structures, and of both chambers of parliament. All of the officials were divided into groups. Into the first group they put specialists in the area of administration; in the second, specialists in the area of the national economy. And it turned out that there is also a third group—dilettantes, and a fourth—crooks and random people. When, after August of 1991, revolutionary transformations began in Russia, a lot of scum appeared. Some of that scum ended up in the staffs of all the upper echelons of power. Ponder the meaning of these words: crooks and random people! They are indeed devoting themselves to personal gain. And at the same time, they try to sink those who do not let themselves be led around on a leash, or who try to hinder them.

First Course

1. Vegetable soup: beets, cabbage, tomatoes, bell pepper, etc., in beef broth, served with sour cream. Seasoned with onion.

2. Question to Mr. Shumeyko: Why do you always wind up "in the soup," and how do you still manage to extricate yourself?

[Shumeyko] If you mean the ill-fated suitcases of compromising materials, I have already spoken a great deal on that subject. But it is only now, by dint of certain changed circumstances, that I can reveal the whole truth. But for that, let us return to 1992.

One day I got a call from Barannikov: "Volodya, come over to the dacha in the evening." Well, so I went. He introduces me to somebody: "Boris Iosifovich Bernshteyn." Then, a conversation: "How would it be possible to make a company for trading in metal overseas?" But I was, after all, the first deputy prime minister! But then it became clear that this company was of a dubious character. My direct question—what is all this for?—met with a direct answer: "Boris Iosifovich will open an account for you overseas, and can accumulate up to \$8 million in a year."

I found the right moment and pulled Barannikov aside: "Viktor Pavlovich, what is going on here?" And Barannikov: "Don't give it a thought—it's all worked out. And he is an intelligence agent as well." And then, he says, you have to understand that overseas some kinds of firms are always being organized where our special services work under the guise of some kind of foreign

businessmen. They are not allocated money out of the budget. I: That's enough. Dinner is over.

I went to the prime minister and related everything, the way it had been. No one believed me. It is not possible to believe that the security minister.... So all right, one does not speak ill of the dead, and I will not do so either. But after that, he personally brought the president that same trust agreement that I supposedly had—an account in Canada. And he says: "Boris Nikolayevich, you have harbored a serpent in your bosom." Boris Nikolayevich: "I do not believe it." They began to sort things out.

You ask me how I manage to get out of all this? Because I am not guilty. That's all there is to it. I recall being called to the General Procuracy; they put before me six letters on government letterhead. In one, I entrusted \$200 million to someone; in another, \$100 million.... The investigator: "Is that your signature?" I say: It is mine, only I never signed that. In the Procuracy it was explained to me how they fry up such "pancakes": With the help of special laser equipment, your signature is precisely transferred from a real document to any other; even the color of the ink is the same.

Second Course

1. Shashlik of turbot, covered in flour and roasted on wooden sticks.

2. Question to Mr. Shumeyko: How do you feel when yet another attempt is made to "skewer" you?

[Shumeyko] My own sensations in such cases bother me least of all. The whole question is under what "garnish" this or that dish is baked. Then in 1993, Rutskoy and Khasbulatov had a task: to overthrow the president. And their reasoning was simple: From those surrounding him, it was necessary to take away key figures, whom he has difficulty doing without. Stepankov told me that Khasbulatov called him three times a day: "When are you finally going to put Shumeyko in jail?" "I am trying," answered Stepankov, "but there is nothing for me to put him in jail for." Then Comrade Ilyukhin came up with a new concoction: If you please, Shumeyko is again toting money around in sacks, and he dragged in some Vlastilina company. I've never even stood close to that madam!

It is simply that Comrade Ilyukhin was not on his party's federal electoral list, and he wants, whatever the cost, to slip into the Duma. How can he make a name for himself? He has to accuse a few big names of corruption. And who are our "famous corrupt officials"? Shumeyko and Soskovets. This "concoction" does not elicit any emotion in normal people other than nausea.

I think that the Federal Security Service, the Main Intelligence Directorate, the Presidential Security Service, and the Ministry of Internal Affairs still do pretty good work. There is constant supervision of the transfer of material valuables and financial assets. It is easy to determine who is doing what and why. To say that I, at the head of the upper chamber, am engaged in corruption, and that this is not seen?

Even if I wanted to somehow break out and get some illegitimate money from somewhere, that would be impossible. I cannot see anyone secretly anywhere. If someone comes to see me, everyone knows about it. Here we are, you and I, eating our meal; and security officers are right here, around the corner, keeping an eye on us. Not because I am afraid. I work with secret documents, and I look into the "Special Folder." That is, today there is so much information in me that it would be interesting simply to steal me.

And then, I have to listen to the reproaches: You say that you are independent, but you yourself support the president. The one does not hinder the other. Building a democratic society is unthinkable without order, the consolidation of power. Therefore, if you are not going to support the president, you cannot build anything.

Dessert

Question to Mr. Shumeyko: Have you heard that rumor associates your name with a certain romantic figure, and generally speaking, how do rumors reach you?

[Shumeyko] Not so long ago, my wife and I were married in the Church. Let us consider the subject you propose to be a closed one.

Such is the custom in our "communal kitchen" that around each state figure there is a constant struggle for "physical proximity." How many times does one have to hear that one has been talked about behind one's back: "Well, Volodka will do what I tell him to." Or some "foot messenger" will come up: "Tell Boris Nikolayevich that the president's representative was drinking vodka in such-and-such a place, was bothering such-and-such a woman...." I try not to see such people. And rumors "about Shumeyko" reach me more quickly than all of Moscow learns about them.

All of these "dishes" are prepared according to a single "recipe": Say the most improbable thing, and then you will be believed.

Economic Freedom Party Official Interview 954F3553A Novosibirsk SOVETSKAYA SIBIR in Russian 21 Sep 95 p 2

[Article by A. Zharinov: "'We Will Conquer by Ability.... But It Is Not Worth Starting a Political Campaign Without \$50,000'"]

[FBIS Translated Text] Such is the summation of Arkadiy Yankovskiy, cochairman of the Economic Freedom Party [PES; Partiya ekonomicheskoy svobody] and leader of its regional branch, which he formulated at a meeting with journalists, having recently returned from his party congress. This conclusion did not apply to all Russian Economic Party members. By no means. Inradicable optimism and the predetermination of long-awaited victory may be discerned, as became clear from Yankovskiy's speech, merely in the local geographical sector—in the Zayeltsovskiy Electoral District, where he intends to run.

As far as the Economic Freedom Party election association as a whole is concerned, however, it is difficult to make any forecasts here. The democratic camp, like the national patriots, is mired, if not in internecine struggle, then in the friction and personal ambitions of politicians reluctant to forgo certain "democratic" principles.

The succession of congresses of organizations of the liberal democratic spectrum which have been held has confirmed once again the aspiration of each of them to advance by its own route toward deputies' mandates. Nor has the PES constituted any exception.

"Our party has made quite a difficult decision," A. Yankovskiy observed, "not indisputable, what is more: to take part in the elections independently. I gave my evaluation of this decision at the congress, but...."

But the decision stood. And the concept of party discipline is not, as everyone understands, alien to democrats either. After all, it needs to be explained to the public here why alone, not together.

One explanation is as follows: "In a situation where the manifest fragmentation in both the democratic and patriotic camps becomes inevitable, some parties with not very high hopes of overcoming the 5 percent barrier are taking part in the elections all the same in order to show that they exist and that they are sticking consistently to their stated principles." Simply put, the tactics are these: Even though we get "burned" at the elections, we preserve our principles. For future generations.

Also possessing just such an unshakable code of ideals is the Economic Freedom Party, which, "not succumbing to opportunist considerations, adheres to firm liberal,

center-right positions" and defends these views and this ideology. But, we repeat, independently.

"Of course, we would like to reach agreement. I, for my part, made, believe me, desperate efforts so that some conglomerate might be created, but personal ambitions and certain objective and subjective circumstances prevented this," A. Yankovskiy said regretfully.

What is the price of these circumstances? There are more democratic structures at the federal level now than ever: Yabloko, Russia's Democratic Choice, Forward, Russia!, the Democratic Russia movement, Irina Khakamada and her Common Cause association, the PES, the Republican Party, and so forth. Not all of them, I repeat, will negotiate the 5 percent barrier. "But what are we to do," representatives of the divided democrats explain, "this is a trend of the present political situation, evidently."

"I presented no ultimatums in this connection," A. Yankovskiy observed, "I submitted to the party decision. Although had I been in Moscow for a considerable length of time and had taken part in the negotiating process, the result of these negotiations could, perhaps, have been more agreeable for us."

A very "modest" statement, is it not? We can imagine how the Novosibirsker Yankovskiy would have disposed Gaydar, Yavlinskiy, and Fedorov toward compromise. PES leader Borovoy could not, but Yankovskiy would have managed it. Especially since, as Arkadiy Eduardovich put it, these disagreements are, generally, hard to overcome. With Boris Fedorov they concern the attitude toward the Chechen war (he is a supporter of decisive measures and justifies the use of military force). With Yegor Gaydar the disagreements are over his loyal attitude toward Chernomyrdin's Russia Is Our Home bloc. Yavlinskiy's position is closer to that of the PES, but even he does not agree to fraternization.

So the democrats are incapable of compromise? Alas, this is the case. But then the voter is entitled to inquire: What kind of democrats are these? Why are they headed in different directions, having included supernumerary "wedding generals" on their slates?

The Economic Freedom Party has one such also, apparently. He is cosmonaut Vladimir Kovalenok, chief of the Zhukovskiy Military Academy. The connection here, it turns out, is "additionally the fact that Konstantin Borovoy worked for a long time and continues to cooperate with defense enterprises of the defense-space complex. Kovalenok is with us, therefore!" Aside from the general and the "general secretary," the troika includes Leonid Nekrasov, deputy of the State Duma. So we will soon, evidently, be seeing their Economic

Party faces in televised debates! Money and the organizational machinery have been engaged for the election race. But will the finish line be reached?

Meanwhile, in A. Yankovskiy's opinion, the problem of his electoral district—Zayeltsovskiy—has been resolved. This is one of the few in the region (and the only one in Novosibirsk!) in which "absolutely all democratic organizations have agreed on a single candidate."

"Not because I am such a good person, the clear favorite, and the best of the democrats. But there is a certain background...."

The essence is that he has "fought" several previous election campaigns here. And although fruitlessly in the majority of cases, he has acquired a name among the electorate.

Thus a specific task has been tackled successfully, the members of the local PES organization believe. And it is this that allows it "to look to the future with optimism because the main rivals have no such unity as yet."

Yankovskiy also connects his expectation of unconditional victory with the forecast voter activity. It is retirees and representatives of the older generation with settled views and a conservative and communist outlook who have, in the main, gone to the polls thus far. But this does not, alas, suit the future candidate for deputy. He is placing his entire hopes on the young, the well-bred, and the rich. They will not let him down, they will help!

Possibly so. As a politician, Yankovskiy makes a pretty good impression: He is young, energetic, and erudite. He is skilled in the ways of campaigning and in his knowledge of the general mentality. Remember his attractive leaflets, calendars, and business cards at past elections. Now also his personal column (on an advertising basis) has appeared in the newspaper VA-BANK: "Arkadiy Yankovskiy: My Position." It does not matter that the words in quotation marks are not entirely stylistically literate, the main thing is to communicate with the electorate from the pages of the publication with the largest circulation (about the deceived investors, the "bloody war in Chechnya," the insupportable taxes). And each time he ends his communication with the winning phrase: "Arkadiy Yankovskiy, always on your side."

The reader is, of course, grateful to Arkadiy Eduardovich for his "honest, objective" position. Only is it necessary to be always on our side? He could, I believe, leave us for a while also. Not pursue us, for example, into the bathhouse or on the fishing trip, at least....

The last issue of VA-BANK, incidentally, quoted new rates for advertising material. For private individuals: 3,500 rubles per word. There are no fewer than 250 in Yankovskiy's column. Let's be blunt, the future candidate for deputy does not stint on words to his electorate. Or, naturally, money either.

"It is not worth starting an election campaign today without \$50,000," A. Yankovskiy candidly confessed. "We are putting up against Moscow politicians (those who are actively intent on staking out a claim on the periphery—A.Zh.) our financial possibilities: not Moscow money, ours.... And we will necessarily say, as distinct from many others, perhaps, who has helped us, which firms. We have nothing to hide!"

Yankovskiy understands that money does not resolve everything. It is necessary to conquer by ability. To forecast, to organize, to mobilize.... And he knows how to do this. He already has an operational staff, and skilled specialist assistants have been mobilized. A package of propaganda ideas has been prepared....

But any unforeseen occurrence could, it seems to me, cancel out all these hopes: Elections are a special case, not everything can be forecast here. News that the well-known actress Lidiya Fedoseyeva-Shukshina is intending to run in the Zayeltsovskiy Electoral District from Gaydar's party was picked up recently, for example. Would Arkadiy Yankovskiy then remain on our side?

Local Russia's Choice Chairman Interviewed
954F3584A Irkutsk VOSTOCHNO-SIBIRSKAYA
PRAVDA in Russian 28 Sep 95 p 1

[Interview with Leonid Moshkarnev, businessman and chairman of the political council of the Irkutsk regional department of the Russia's Choice movement, by Leonid Martov, journalist; place and date not given: "'89' Bloc Established"]

[FBIS Translated Text] A year ago there was a parting of the ways between the Russia's Democratic Choice party [Demokraticheskiy vybor Rossii; DVR], headed by Yegor Gaydar, and the Russia's Choice [Vybor Rossii] movement, on the basis of which, in fact, the DVR emerged. Then a new electoral bloc was established the other day— "89" ("89 regions of Russia"). Members of the Russia's Choice movement (leaders—Muscovite Pavel Medvedev, a State Duma deputy, and Valeriy Davydov, deputy of the Saratov Oblast Duma) and the Association of Independent Professionals, led by Petr Filippov, a former people's deputy, performed the role of founders. The priority being given by the new bloc to the problems of the Russian hinterland was reflected not only in its name but also in the con-

struction of the federal list of candidates for deputy in which the central part is absent and all candidates are distributed throughout dozens of consolidated regions. Leonid Moshkarnev, a businessman and chairman of the political council of the Irkutsk regional department of the Russia's Choice movement, recounts the program aims of the "89" bloc—he is number one among the candidates from a group of regions that unites Altay Kray, Irkutsk, Tomsk, and Chita Oblasts, Ust-Ordynskiy Buryatskiy Autonomous Okrug, the Republic of Altay, and Khakassia (he is at the same time nominated in the 82d Irkutsk Electoral District):

[Moshkarnev] The slogan "Freedom, Property, Legality" is inscribed on our banners as usual, as it also was two years ago, and I think that it is acceptable for a majority of voters. But in contrast to Gaydar's Democratic Choice, we are disturbed by the landslide decline in incomes and the impoverishment of the population, the muddle with pension security, violations of the unified rate scale for those on the public payroll in favor of separate branches (for example, state administration organs and the power departments), and the failure of attempts to modify the health services system. I think that in social insurance the country replaced what is bad with something worse.

[Martov] How do you explain the union specifically with the Association of Independent Professionals?

[Moshkarnev] The Duma is not the place for rallies and brawls, but, of course, it needs people who are prepared for legislative activity. I myself have a thorough knowledge of the construction business, both in theory and practice; for 20 years of teaching work in a polytechnical institute I studied the problems of higher schools; and now, as a farmer, I head the agrarian association "Dig" [Roy]. So these are the spheres in which I hope to be useful to the country as a deputy.

[Martov] How are the relations of Russia's Choice members developing with other organizations of a democratic direction?

[Moshkarnev] We are for a broad coalition of democrats, especially just before the presidential elections. Unfortunately, relations have not been established with the leadership of the oblast organization of the Russia's Democratic Choice party in Bratsk. There are many reasons for this, one of which is political disagreement. Thus, Vladimir Anyakin, chairman of the oblast DVR organization, proposes "with the help of the president to cleanse the executive vertical of nomenclatura, establishing democratic cadres in the regions and on a local level that were ready long ago to take part in the administration of the state. Moreover, this should be done without any elections at the regional

and local levels. Only by means of appointment!" (SOVETSKAYA MOLODEZH, 7 September of this year). What is this if not a call for open dictatorship? However, the Irkutsk Democratic Choice perhaps is the only structure with which we have stopped contact completely. The door for cooperation with other politicians who consider themselves democrats is open as before.

***Union of Patriots Leader Sterligov Interviewed**

954F3578A Moscow PRAVDA in Russian 21 Sep 95
p 2

[Interview with Major General A. Sterligov, chairman of the Russian Council, along with A. Tizyakov and V. Achalov, leader of the Union of Patriots, by Valentina Nikiforova; place and date not given: "Russia Has Suffered Through Russian Rule. Through the Eyes of a Political Leader"; answers are unidentified by respondent]

[FBIS Translated Text] The constituent congress of bloc of national-patriotic forces was held at the end of August under the motto "For the rebirth of a great Russia." It includes the Russian National Council [Russkiy natsionalnyy sobor], the All-Russian Officers' Assembly [Vserossiyskoye ofitser'skoye sobraniye], the Association of Industrialists and Entrepreneurs [Assotsiatsiya promyshlennikov i predprinimateley], the Union of Russian Refugees [Soyuz russkikh bezhentshev], the general military union [obshchevoinskiy soyuz], and several more interregional and regional organizations. Subsequent events developed as follows. On 8 September there was a congress of all national-patriotic forces of Russia and a more powerful election association was founded—the Union of Patriots bloc.

Understandably, it is an election bloc and its goal is to obtain mandates. Nonetheless we had quite a few questions. They are answered by the chairman of the Russian National Council, Major General A. Sterligov, along with A. Tizyakov and V. Achalov, who is the head of the Union of Patriots.

[Nikiforova] Aleksandr Nikolayevich, almost half of the people who want to get into the State Duma call themselves patriots.

[Answer] All you have to do is look to the root of the matter and then it becomes clear who just wants to hang out a new sign to make him look better, who is playing a game, and who truly cares. Before the last elections we called for people not to participate because we thought that to vote would mean to legitimate what was going on, including October 1993. The situation has changed today.

Why did the Supreme Soviet fail? It had no Russian-Slavic nucleus, no Russian force cementing it together. Khasbulatov wanted one thing, Abdulatipov wanted something else. Our goal is to form a Russian political nucleus. We want to bring in military generals and generals from production, professionals. And we do not come as the opposition. It exists in the country, it is the fifth column, which has seized power and is ruining the state. We will go there as authorized representatives—to express the will of the people. If it is heard, the country will have a chance for peaceful development. Its last chance.

[Nikiforova] The prognosis is not very comforting, it is frightening. But is that the proper way to pose the question? Who could be the enemy?

[Answer] Let us say that the major opponent in these elections will be, of course, Our Home Is Russia.

[Nikiforova] But that bloc is also in favor of peaceful development. Moreover its leader, V. Chernomyrdin, speaks about stability on television almost every day.

[Answer] Our Home Is Russia is dangerous because it consists of those leaders who seized the raw material sources. These people, who banned together and took over or are trying to take over the property, would like stability. But such "stability" cannot exist. This is a means used by world capital to take advantage of local leaders who control the raw material to keep the country...under control. The method is not new; it was applied in Africa, Southeast Asia—throughout the world, where tribal leaders were bought and raw material was shipped out.

[Nikiforova] But Africa woke up.

[Answer] Precisely. A national liberation struggle has begun there.

[Nikiforova] And, as we can see, it has led to certain successes.

[Answer] And the same will happen in our country! But we are not Africa—everything is much more intense here. That is why we say: There are chances of a peaceful development of events if we defeat the Our Home Is Russia bloc.

[Nikiforova] Who do you think could be a part of a reasonable nucleus for the future Duma? And what, in your view, would be the indicator by which the association would occur?

[Answer] All those who would defend the interests of Slavs would unite. I think that would include some of the Communist Party and some of the agrarians.

[Nikiforova] It has been reported in the press that you tried to join a bloc with Ryzhkov. It seems there was some kind of an agreement.

[Answer] There were no agreements. A year or a year and a half ago I told Nikolay Ivanovich that it was time to come out of the trenches. He did not want to at the time. He had some kind of policy—not to subject himself to anything harsh, to come to power gently.

But we will act as an alternative to the communist bloc.

[Nikiforova] As an alternative or an opponent?

[Answer] As an alternative. Let the people choose for themselves. Our opponent, as I have already said, is Our Home Is Russia, which is being joined by all the Fedorovs, Yavlinskiys, and Gaydars.

[Nikiforova] But there is also Ivan Petrovich Rybkin's bloc.

[Answer] That is an obvious ally of Home.

[Nikiforova] Aleksandr Nikolayevich, do you understand that they will try to discredit the basis of the bloc—the Russian-Slavic idea?

[Answer] Of course they will. They will try to discredit the communists too. SUCH is the press that is behind them. But they will not succeed. We do not think it will be possible to overcome the split in the society until we understand one thing: The state destroyed the temples and it will have to replace them.

[Nikiforova] But are you not getting off the track: Some will paint temples and others—submarines.

[Answer] We can do both. How can you build boats if you do not have a spiritual rudder, a philosophy of life?

[Nikiforova] But we have nothing to feed the soldiers.

[Answer] We do not intend to "paint" all the churches in two days. But they are doing it now: The run-down schools and vocational and technical schools are being bought up by Catholics and Hari Krishnas and the AUM Shinrikyo and they are opening up private schools there. While the CPSU Central Committee was fighting against Orthodoxy half of Belarus was converted by the Catholics!

[Nikiforova] It is understandable that you defend the Orthodox idea. But you were in Chechnya and met with Dudayev and, as I recall, you did not part enemies.

[Answer] Chechnya finally dotted all the i's in politics. Look, in the most unexpected way Yeltsin's closest adviser, Chernomyrdin, became the person the democrats rallied around. The Chechen conflict helped him. He butted in just as the commandos were about to be locked into the mountains. Why did he do this? Either out of

stupidity, or someone told him to, or it was somebody's design, but it was a serious mistake.

[Nikiforova] How is that? What kind of mistake?

[Answer] In that it gave armed commandos hope of success. Both in Budennovsk and in the current negotiations.

[Nikiforova] Aleksandr Nikolayevich, aren't you laying it on pretty thick? Anyway, your opinion of Dudayev and how, in your view, can we get out of this war.

[Answer] The Chechens themselves are suggesting the solution: There must be a Russian government in Moscow. They themselves are saying: "We have a peaceful judge—the Russians, they have always reconciled us! We ourselves will never make peace."

[Nikiforova] But peace negotiations are in progress.

[Answer] The peace negotiations should have come much earlier. Dudayev is a regular general, with whom they should have conducted negotiations. It is still possible even now. But under the condition that the president himself admits his guilt public, on television, and says: "We have caused all the problems." He must invite Dudayev to Moscow, guaranteeing his safety, or go to Chechnya himself. The Chechen has been driven into a corner, declared a criminal, 200 Alpha unit members have been assigned to capture him.... It turns out that they do not want to talk, they want his head. There is ordinary nationalism. And there are relations among peoples. The current government has not risen to the point of relations. They would give all the charging soldiers weapons and send them to Chechnya—Go and fight! Yes, Dudayev has now become the enemy. The Government of Russia has made him the confirmed enemy. Mikhaylov is a good person and he has a correct policy. But Filatov, Baturin, Satarov, Livshits, and Kozyrev are in the Kremlin. They are prolonging the conflict! They have obviously gained from Yeltsin's arrogance and now they are placated. But Russian mothers are tearing their hair out

[Nikiforova] The president has appointed Lobov as the representative to Chechnya.

[Answer] What is Lobov?! It would have been different if he had come from a new government. But there was no need to start the war in the first place. But when it was essentially already over, just a couple of days remained—they were all in the mountains—and what did they do? They let the commandos out of the mountains and they occupied Grozny again! Everyone knew that they had plenty of weapons. The war would be resumed—there was no doubt! What kind of tactic is that? It is necessary to consider this question: Do we

need Chechnya? A war cannot proceed under conditions where the national objectives have not been determined. With what objective is Russia fighting in Chechnya—can anybody answer this question?

[Nikiforova] The Constitutional Court has found that the president was fighting for the integrity of the state.

[Answer] That is not the way to do it. It is a strange situation: "Peace negotiations" are being conducted but the people do not know what they are about. What I mean is that some people want another Afghanistan. Why not ask the question: To whose advantage is it for this hotbed of bloodshed to fester there? Clearly it is neither the Chechen nor the Russian. This is the policy of those democrats who are headed up by Chernomyrdin. And he is grooming himself to be the next president. From abroad. Of course Chernomyrdin does not suit them. Having been through the school of delivery of raw materials, he has become accustomed to fulfilling the plan for the delivery of raw materials to the West. And now we are being given a colonial status, and this suits a person with the reflexes of a deliverer of raw materials just fine. But what will it bring to Russia? Reinforcement of the control of a little group of individuals over the sources of raw materials. This means a schism and conflict within the state. And the direct path to a national liberation struggle. And we are going to the Duma to oppose it.

[Nikiforova] Do you have hopes of winning?

[Answer] We do. But we are being pressured a great deal. Now, true, it is quite impossible to isolate us so they are trying to lie about us. Yesterday at a news conference the question was asked: Privatization is proceeding, how much further will it go? I answered: "Yes, the government of Russia and all the people are being forced to dissemble and create "cash." Everyone is uncomfortable with this today: The entrepreneur, the merchant cannot work normally—they have to use guile or their industry will simply die out. It is necessary to change the policy and create a legislative base so that people will not conceal their incomes and will work freely." What have they given us on TV? "Sterligov has let it be clearly understood that all entrepreneurs are scoundrels and they will be behind bars."

[Nikiforova] That is apparently the purpose for which you invited them to join your bloc!

[Answer] That is the way they operate! They will not allow healthy forces to unite. Which means that our time has come.

***Private Ownership of Land Seen as Electoral Issue**

954E1504A Moscow KOMMERSANT in Russian
12 Sep 95 No 33, pp 4-5

[Article under "Question of the Week" rubric: "Will the Question of Private Ownership of the Land Be the Focus of the Electoral Campaign?"]

[FBIS Translated Text]

Ivan Rybkin, chairman of the State Duma

Private ownership of the land in Russia is legal under the constitution. The draft Land Code states that there is private ownership of land for the construction of houses, orchards, and gardens and other purposes. If people want to work on a collective farm, let them do so. If they want to leave with their share, no one should hinder them. But the question of the sale of the land is regulated everywhere in the world. In my opinion, these questions have essentially already been decided and it is only for populist purposes that my friends on the left and right are trying to revive them.

Nikolay Radugin, chief of staff of the committee for agrarian policy of the Council of the Federation

The question of private ownership of the land may be just one of the election paths. About 80 percent of the inhabitants of agricultural regions and farm workers oppose private ownership of the land, because they know specifically from practice what the parceling of agricultural production leads to—to the disruption of the rational use of lands and the disturbance of crop rotation. City dwellers may support a referendum on the introduction of private ownership of the land without understanding the essence of the matter.

Petr Premyak, deputy chairman of the committee on security and defense questions of the Council of the Federation

The question of private ownership of the land may become the focus of the election campaign. It is not without reason that the voter association "Russia Is Our Home" raised the question and did so at an opportune time, although rightfully the initiative belongs to Sergey Shakhrai.

Adrian Puzanovich, deputy chairman of the committee on economic policy of the State Duma and member of the parliamentary group of the Agrarian Party of Russia.

It is not difficult to foresee the results of a referendum on private ownership of the land: they will be positive, because there are more city than rural dwellers and the urban population does not have a very good understanding of agricultural problems and is more likely to favor the buying and selling of agricultural lands.

But such an outcome of the referendum would be an extremely great calamity for the country. In the first place, because under the conditions of the present crisis situation in agriculture the introduction of the buying and selling of agricultural lands would bring about a social explosion and the complete degradation of production in the rural areas. The referendum will split the countryside, where for now one can observe relative stability.

In the second place, such an outcome of the referendum is fraught with a schism between the cities and the countryside, that is, the appearance of still another front of social tension. In a word, to hold such a referendum would be to release from the bottle the genie of total destabilization of the country. The president will hardly decide to take such a step.

Natalya Lenkova, president of the First Professional Bank

Despite the enormous importance of the question of private ownership of property, at the time of the election campaign it, just as many other questions, will nevertheless be pushed aside by the problem of resolving the critical economic situation, the impetus to which was the so-called banking crisis. It is possible that not everyone yet adequately understands the consequences of the banking crisis.

Mark Massarskiy, president of the International Association of Enterprise Managers

This is not a key question but it is very important. It is not a key question, because the population of Russia has not perceived it as such. But it is key from the point of view of an objective economic law. The land must become a commodity and a secondary land market will make the national currency more stable. And only Chernomyrdin has declared that the government will initiate a referendum on land. It will be formulated in this way: "Are you for or against private ownership of the land?" I think that the government will win, because the majority of those taking part in the referendum will be city dwellers and they have no reason to strengthen the domination of the kolkhozes and sovkhoses, which is what the land code passed by the State Duma in its first reading tends to do.

Konstantin Borovoy, chairman of the Economic Freedom Party

For us the question of private ownership of the land is so important that with its help we can easily determine those with whom we can cooperate and those with whom we cannot cooperate. For private ownership of the land is private ownership in general. Otherwise there is no private ownership. This is one of our three

principles: work, democracy, and market. But there is no market economy without private ownership and there is no private ownership without private ownership of the land.

Vladimir Poroshin, director of the marketing service of the company "Nikoyl"

The question of private ownership of the land will certainly be a key question in the present election campaign. It has long since become essential to have private ownership of the land. The principle of relating to the land as something free has taken a very firm hold of our people and even now, when a portion of the land has already gone over to private ownership, people still relate to it as though it were ownerless.

The problem is not to restrict ourselves to slogans of the type "You elect us and we will do for you" but to develop a clear business plan and a program for the shifting of the land from state to private ownership. The transition process must take place openly and publicly on a competitive basis and it must be fair.

If this process is capitalistic in name and socialistic in form, this will evoke a great many unfounded rumors and ultimately it will be reflected in the results of subsequent elections.

Nikolay Svanidze, host of the television program "Podrobnosti" (Details) (RTR [Russian Television and Radio]), for KOMMERSANT: **The move of Viktor Chernomyrdin is still the brightest and most unexpected move in the entire election campaign.**

The move by Viktor Chernomyrdin that was first presented, as it is said, by Sergey Shakhrai when he was with NDR [Russia Is Our Home]—a referendum on ownership of the land—may still be the most brilliant and unexpected move in the entire election campaign. And judging by its resonance, it will have an effect, whereby political competitors will see to that. They could not fail to react to it and by reacting to it (sharply negatively, of course) they only gave impetus to the idea of a referendum. The strength of Chernomyrdin's proposal is in its obvious populism. Any objections inevitably amount to an impatient "Why ask when everything is so clear?" And regardless of the subject, this immediately provokes the active irritation of the voters. Chernomyrdin will definitely formalize this idea and send it to the Duma and the Duma will be forced to move. The prime minister will not allow it to sink the proposal but will raise political waves by creating a lot of noise nationally. To approve it would itself be a victory for Chernomyrdin. It scarcely makes sense to exaggerate the potential political significance of the idea of the referendum but one cannot fail to recognize that

it is a rather accurate direct blow against the Agrarian Party and not only against it.

Mikhail Berger, observer from the newspaper IZVESTIYA, for KOMMERSANT: **Russian voters are interested in simpler and more understandable things.**

The question of private ownership of the land will certainly be the subject of active political speculation. But, in the first place, it will hardly be the primary question in the fight for the preference of the voters and, secondly, it is obvious that not all political forces will be actively engaged in discussion of this matter.

It may seem at first glance that it is just the opposite, that the land question has already become an instrument of the election campaign. The supporters of this point of view may point out that one of the most notable political statements by Viktor Chernomyrdin in recent times was precisely the proposal on the holding of a referendum on private ownership of the land, whereas Boris Yeltsin vetoed the Land Code passed by the Duma on 14 July. One of the reasons was that the Land Code does not recognize the right of citizens to have land in private ownership in the sense inferred by the present constitution.

It would seem that these are advantageous moves and drastic statements and actions. It may be that in the eyes of the politicians the "land" statements do appear to be extremely important but in my view the overwhelming majority of Russian voters are interested in simpler and more understandable things. The decision on the banning of motor vehicles with steering on the right side caused a much greater public response than the Duma's passing of the antimarket and unconstitutional Land Code. If Chernomyrdin had introduced this ban today, it probably would have cost him and his movement a large number of votes.

The human organism produces gastric juices only in the sight of familiar food. As good as unfamiliar food may look, there are no gastric juices. Voting in today's Russia is to some measure a secretion of gastric juices. It is almost a physiological rather than a rational reaction to familiar symbols ("corruption," "crime," "social justice," etc.).

The Russian inhabitant has no notion of what private ownership of the land is and he has not experienced what it represents. Nor did his parents experience this. And if his grandparents did, they forgot it or died. Hence the almost total indifference to the fight of Duma liberals with Duma agrarian orthodox and hence the almost complete lack of reaction, except in the newspapers, to Chernomyrdin's proposal on the referendum.

But if land in Russia were the subject of buying and selling and if some political force proposed its nationalization, the reaction truly would be revolutionary.

Vladimir Kara-Murza, host of the television program "Segodnya v polnoch" [Today at Midnight] (NTV [Independent Television]), for KOMMERSANT: **The problem of private ownership of the land will hardly occupy a significant place in the election campaign.**

In the first place, any prospects for its resolution will appear nebulous. And secondly, Russia has too much negative experience with land reform over many centuries. Slogans such as "Land to those who work it!" can only scare off the voters under today's conditions taking into account historical tradition. But excessive persistence in imposing the question of the "right to buy and sell" will be associated with appeals for another repartition of property. The cautious and conservative Russian voter is put on the alert by any haste in this painful and delicate question.

Mikhail Leontyev, deputy chief editor of the newspaper SEGODNYA, for KOMMERSANT: **The raising of the "land question" has practically no significance for the outcome of the elections.**

The initiative for the presentation of the "land question" as a key question in the coming elections belongs to the Party of Russian Unity and Accord (PRES) of Sergey Shakhray. In the course of noisy door slamming in leaving "Our Home," Mr Shakhray accused the "party of power" of "not accepting fresh ideas"—for the lack of a reaction to the proposal of the PRES on the holding simultaneously with the elections of a referendum on the question of private ownership of the land. Viktor Chernomyrdin demonstrated a very quick reaction here, coming out with a similar initiative.

Such a reaction could be assessed as hasty if one ignores intraparty and interparty motives. It is significant that the "democratic" parties and blocs did not come out with such an initiative, although they should have thought of such an idea before anyone else. The "democrats" practically gave up any "agrarian" reforms, giving this sphere over to the parasitic agrarian lobby. The agrarian sector turned into a economic and political reservation, for the localization of which the principle of the leasehold is utilized. This circumstance determines the force and limits of the influence of the agrarian lobby. If the "reform team" had extended the use of vouchers to the land, no one would now remember this "reservation."

This is a deal that people are fully aware of. It can be assessed as political cowardice and as wisdom and realism, however one wishes. The presentation of the

"land question" has practically no significance for the outcome of the elections. Even now, it is extremely difficult to extract any populist effect from any of its solutions (after "national privatization," it will hardly be possible to eat again a soup that has already been consumed once). The politically active minority has long since been fully defined in this question, and the choice of the vacillating majority of voters will most likely be determined by the personal characteristics of particular political leaders.

Early Years of FSB Head Barsukov Outlined

954F3539A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 20 Sep 95 p 1

[Article by Valeriy Krivosheyev, correspondent for the newspaper DE FACTO, special to KOMSOMOLSKAYA PRAVDA: "Mikhail Barsukov Has Begun a Purge at the Lubyanka. But He Will Not Be Able To Wipe Out His School Records...."]

[FBIS Translated Text] Lipetsk—The future No. One Chekist was born in Lipetsk in 1947, into a family of an Army master sergeant and a cook. In this city now live Barsukov's mother, elder sister, and younger brother.

I was acquainted with the family's genealogy by Mikhail Ivanovich's mother. According to the 76-year-old Anna Ivanovna, the Barsukov clan is renowned for its longevity: Her mother-in-law lived for 103 years, and her husband's grandfather and grandmother delighted in this world for even longer.

The Barsukov family record began in 1940, but Mikhail's mother and father registered their marriage officially only in 1943, when they had already had a daughter. "The war," says Anna Ivanovna—"soldiers were forbidden to register a marriage officially." By that time, Master Sergeant Barsukov worked at the aviation center as a radio operator and encoder, and his wife prepared rations for the saboteurs who were sent from the local airfields to the enemy rear.

Misha was not particularly one for scholarship. In Lipetsk's School No. 5, where he went into the first grade in 1955, his studies began with poor marks. Although his very first, as is established in his school record, was positive—a B in Russian: Misha coped well with the task of thinking of words starting with "a" and "u." But then came a swarm of C's and D's in all subjects: The pupil had a hard time making the acquaintance of the letter "e," was not in the mood for singing during the music lesson, and cut out paper patterns only with difficulty. He was no better at molding carrots, tomatoes, and various other vegetables out of plasticine. Finally, he got his first D in physical education as well.

In the seventh grade, Barsukov succeeded in math, but suffered a fiasco in literature. By the eighth grade it had become clear that the little guy had an inclination for the exact sciences. In connection with this, one is not surprised at the vexing C in history, received on 18 April 1963 on that most gratifying of topics—the preparation for armed insurrection. It is likewise obvious that Mikhail Barsukov stubbornly refused to learn a foreign language: In the eighth grade, he had an equal number of C's and D's in German.

Nevertheless, in the new School No. 12, Mikhail began to study better: He received his certificate without any C's.

Misha was never a leader in the class, say his classmates, and his interests always lay outside of school.

A school friend of the young Barsukov recalled an illustrative episode from Misha's sports past. In the eighth grade, having conceived a passion for boxing, he signed up for the section. After the matches, the coach liked to start up a basketball game with no rules. The only condition was that one was not to beat up one's rivals. Newcomers were not warned about this. And when Barsukov skillfully dribbled the ball, a great hulking guy suddenly grabbed him from behind and tossed him to the side like a kitten.

"Misha sat down next to me on the bench," recalls the friend, "and seethed for a minute: 'How can you play like that—without rules!' But he quickly calmed down and went back into the game. He had just understood and accepted the new terms: Those were the rules—to play without rules. I saw him that way in other situations. He orients himself quickly in life."

The ninth-grade Mikhail Barsukov was tall and well-built, and several of the ladies noticed his especially pearly-white smile. There are no data, however, on whether he reciprocated the feelings of any of these love-struck girls. One of the Lipetsk girls, who knew him rather briefly, asserts that in those days Misha had already seriously gotten down to the business of his self-education, and spent days at a time in the reading room of the oblast library, studying technical books. In his opinion, already at that time Barsukov knew what he wanted: to strive upward and become a big man.

Has he kept any friends in Lipetsk? The closest one, Vladimir Lomov (they sat at the same desk), died three years ago. Many of the people who studied in the same class with Barsukov in Schools No. 5 and No. 12 have not seen him for the past 30 years. But those who have had occasion to meet with him in private life testify that in dealing with his friends, Barsukov remains the same.

I asked Mikhail Barsukov's classmates what would compel them today to seek out a meeting with the powerful department chief. And how would he receive them? Most of those I asked answered unequivocally: Only a matter of life and death could force them to push their way in to Moscow. And would Barsukov remember a person with whom he had studied 30 years ago? It is better not to create uncomfortable situations for oneself.

Regional Affairs

*Bryansk Oblast Communist Leanings, Election Campaigns Viewed

954E1475A Moscow ROSSIYSKIYE VESTI in Russian
22 Sep 95 p 2

[Correspondent Vasilii Shpachkov report: "The Two Problems in Bryansk Are Radiation and the Communists"]

[FBIS Translated Text] Bryansk Oblast—The Bryansk region is currently going through hard times. The personnel tree cultivated by Vladimir Karpov, former head of the administration, has been thoroughly shaken with the arrival in office of the new old governor Vladimir Barabanov.

The officials whose appointment and work had elicited many negative interpretations and opinions have "fallen" from its branches. Nor has the team of Yuriy Levin, head of the city administration, whose activity had been criticized by ROSSIYSKIYE VESTI repeatedly, remained at the helm. The new structural changes are designed to adjust the work of a precise managerial horizontal line. Political leaders of various persuasions are evaluating positively the return to office of Vladimir Barabanov. Specifically, Lyudmila Komogortseva, chairman of the executive committee of the oblast organization of the Russia's Democratic Choice party, observed that several years ago the present chief had come to the governorship on the democratic wave and had shown himself to be a supporter of reforms. And even Oleg Shenkarev, deputy of the State Duma and leader of the Bryansk communists, observed that the new chief of the administration had an opportunity to put into practice his statements concerning the fight against corruption and that he could support the oblast Duma in its aspiration to conduct local government elections. But at the same time Oleg Shenkarev believes that the appointment of Barabanov will not dispense with the question of the fate of communist ex-Governor Yuriy Lodkin, who was dismissed by the president.

A scandal broke in political circles when a communication from Moscow on an all-Russia conference of the Communist Party of the Russian Federation, which confirmed the slate of single-mandate district candidates

and the federal slate for the State Duma elections, arrived. Bryansk Oblast, together with Belgorod, Kursk, and Orel oblasts, was included in the Prokhorovskaya Group (named after the famous tank engagement), the slate of candidates from which was headed by Yuriy Lodkin. As we can see, the former administration chief is not about to say farewell to political activity.

It is appropriate to recall that in a short space of time the Bryansk region has changed several times not only the governors but its political coloration also. Following the elections to the then RSFSR Supreme Soviet, it was considered a region with democratic trends even. Deputies both in Moscow and in Bryansk voted, for the most part, for political and economic reforms. But subsequently the situation changed, and at the next elections—to the Federal Assembly and the oblast Duma—the communists and their supporters were victorious. The Bryansk region became a link in the so-called red belt. Now, on the eve of a new test, the region faces new elections. The political forces have moved up to the starting line of the election race.

Both in terms of numbers and in terms of structural ramification one of the first places in the oblast is occupied by the Russia's Democratic Choice party. Twenty of its organizations are at work in the cities and rayons. Next comes the Russian Social Democracy Party. Campaigning is at its height, and the newspapers have been carrying polls for the study of public opinion in the election period. A recent statement of the Agrarian Party of Russia Bryansk election association affords the movements of a reform persuasion a pretty good opportunity. "We have proposed repeatedly to the leadership of the Bryansk Oblast committee of the Communist Party of the Russian Federation," it says, "that candidates for deputy for the coming State Duma elections be nominated on a parity basis. But the bureau of the Bryansk Oblast committee of the Communist Party of the Russian Federation and a plenum of the oblast committee of the CPRF [Communist Party of the Russian Federation; Kommunisticheskaya partiya russkoy federatsii; CPRF] headed by O. Shenkarev rejected our proposals and occupied a different position, resolving to nominate their representatives without the participation of the peasants." The statement goes on to express regret at the "leadership of the Bryansk Oblast committee of the CPRF's failure to understand the present adverse political situation.... Thereby assuming responsibility for the outcome of the elections to the State Duma for our region." The CPRF Bryansk Oblast Committee Secretariat immediately set forth its position. But it remains a fact that there is no longer any accord among the comrades in the Bryansk region.

With the approach of the elections, flocks of politicians have once again followed one another in guest performances. The Bryansk region, which is today bending

beneath the burden of the consequences of Chernobyl, must choose: to pull the "red belt" around the capital a little tighter or to satisfy the ambitions of other democratic politicians.

Some are playing shamelessly on the most acute problems and promising to make Russia strong and rich overnight. Others offer practical work which is arduous, but which promises the best hopes for the future. They are unwilling to subject society to more upheavals. This is what the Bryansk electorate has to give serious thought to, this is the choice.

Militia's Ability To Curb Crime Assessed

954F3586A Novosibirsk *VECHERNIY NOVOSIBIRSK*
in Russian 25 Sep 95 p 2

[Article by Vadim Manenkov: "The Chief of the City UVD and the City Procurator Assess the Militia's Successes: One Step from Television Serial to Prison?"]

[FBIS Translated Text] The regular session of the city's assembly of deputies has been held. The agenda was more extensive than ever. Because of this it even became necessary to start the meeting not at 1400 as usual, but at 1000. The deputies examined, in particular, questions such as price formation for bread and bakery items, implementation of the city budget for the second quarter, changes in financing limits for the third quarter, the plan of work of the city assembly in the next quarter, and other matters.

But the deputies started with an examination of the work of the Internal Affairs Administration of the city over eight months. How successfully the militia is fighting crime was recounted by Stanislav Zhukovskiy, chief of the city UVD [Internal Affairs Administration], and Gennadiy Shilokhvostov, city procurator.

Their assessment of the work of law enforcement organs and the facts and figures they cited were so different that the impression could have been created that they were talking about the crime situation in completely different cities.

The chief of the city UVD reported: The number of crimes here is steadily declining. For example, 26,599 crimes were registered for the eight months, which is 6 percent less than the same period of last year. Overall, in Zhukovskiy's words, of 11 cities of Russia with a population of a million and more persons, Novosibirsk, according to basic militia indices, ends up in the five best.

But speaking right after him, the city procurator said that there are 197 crimes here for every 10,000 people, which is the highest index for the Russian Federation (incidentally, the republic of Tuva is in second place, where 180 crimes were registered for every 10,000 people). Gennadiy Shilokhvostov noted that in general it is not worth reducing the crime rate by manipulating

figures—today they decrease, tomorrow they do not. Especially since Zhukovskiy was talking about the crime rate as a whole. But, for example, in comparison with 1994 there were 164 percent more grave crimes and more so-called crimes against society by a factor of three. So it turns out, the procurator noted: The dynamic itself is not bad, but the structure of the crime rate is very alarming. But perhaps the procuracy does not know that, starting this year, crimes that previously did not relate to the grave category—larceny, for example—are now included in the grave category.

Shilokhvostov is also puzzled by the fact that a large number of criminal matters are not brought to a conclusion (the conduct of every fifth case is stopped); moreover, 40 percent of them are stopped because of the absence of criminal events and corpus delicti. It turns out, the procurator said, that the mass of criminal cases here are instigated without any grounds; has working for a wastepaper basket become the order of things among investigators? Indeed, crimes solved, according to the data of Gennadiy Shilokhvostov, amount to little more than 50 percent. But if cases are solved and closed with such ease then where, pardon me, is the procuracy looking in this event?

There is not a word about this in Zhukovskiy's report. True, he was only recently appointed to his present post, and perhaps complaints against him cannot yet be made regarding, to put it mildly, the low effectiveness of the militia's work, but why do the reports of the UVD chief and the city procurator differ so much? This question was not asked by our mayor. He only noted that now at least all crimes are registered, which was not the case previously. And the unfavorable statistics come from this. But under Nikolay Derov, the previous director of the city militia, it will be recalled that the mayor's office contented itself with the same view. Apparently, it has become a habit.

On the other hand, Stanislav Zhukovskiy demonstrated a fresh viewpoint on many things. For example, based on the irrefutable fact that many crimes are committed by drunks, he noted that people often drink on the job. The chief of the city UVD explained at the session: Television is to blame, and the pernicious influence of various television serials—they frequently show drinking bouts taking place in offices. This is the conclusion he drew, recalling that the famous antialcohol edict and decree of 1985 that forbid the "use" of alcohol in enterprises and institutions have not been abolished. He gave his subordinates the pertinent instructions.

An interesting point: When the chief of the city UVD was talking about this, did former member of the CPSU Central Committee Ligachev hiccup at least once?

Kazakhstan

*Changes in Demographic Situation Examined

964F0008A Almaty PANORAMA in Russian
30 Sep 95 No 38, p 8

[Interview with Azimbay Galiyev, head of chair of political disciplines, Higher School of the RK MVD [Republic of Kazakhstan Ministry of Internal Affairs], conducted by PANORAMA correspondent Yevgeniy Bulatov: "Change in Demographic Situation in Kazakhstan Closely Tied with Political and Economic Changes Which Are Taking Place"]

[FBIS Translated Text] In an interview with PANORAMA, the head of the chair of political disciplines of the Higher School of the RK MVD,

Azimbay Galiyev, detailed certain demographic tendencies.

Migration

Last year, according to the statistical data, the migration loss of the republic's population—the balance of migration—comprised 410,000 persons. In the current year, this indicator (see Table 1) may possibly reach the half-million mark. In my opinion, the negative balance of population growth reflects the restoration of a normal level of labor intensiveness of Kazakhstan. (Since 1989 the number of the republic's population has fluctuated insignificantly in one direction or another from 16.5 million). In the years of socialist development, the forced economic growth demanded an additional supply of external resources, including labor.

Table 1. Inter-state migration of the population of Kazakhstan (in thousand persons)

	1991	1992	1993	1994
Arrived:				
Total	206.1	176.3	111.3	70.4
Including:				
from the far abroad	18.9	27.5	11.0	6.5
from the near abroad	187.2	148.8	100.3	63.9
Departed				
Total	255.0	352.2	333.4	480.8
Including:				
to the far abroad	78.0	95.0	100.5	105.0
to the near abroad	177.0	257.2	232.9	375.8
Grand total	-48.9	-175.9	-222.1	-410.4
Including:				
for far abroad	-59.1	-67.5	-89.5	-98.5
for near abroad	+10.2	-108.4	-132.6	-311.9

The first outflow of the population occurred back in 1970, when the loss comprised 30,000 persons. This process continued to grow. We should also not lose sight of the fact that as soon as the political regime in the USSR eased somewhat, Germans, Greeks, Jews and other peoples began to leave Kazakhstan. Since the beginning of 1990, when limitations were lifted, the outflow to the far abroad, especially of Germans, has become very strong. The number of Germans remaining today is no more than 450,000 persons.

Under the difficult conditions of the transitional period, the exodus of the population plays the role of a "social buffer." The housing and property of those who have left Kazakhstan is being re-distributed among all those who remain, which to a certain degree compensates for the general decline in the living standard and creates job vacancies.

On the other hand, since most of those leaving are young and socially active, a stability is retained in Kazakhstan. There is an absence of strong extremist and radical

political groupings. I would say that this emigration from Kazakhstan erodes the social and demographic base of the Cossacks and the Slavic movements and associations.

It is impossible to say for certain how long and on what scale the outflow of the population will continue, but we may confidently state that the increasing open unemployment will facilitate activation of emigration sentiments. To say today to those who are leaving: "Do not go, stay!", would be demagogic. If the state had wanted to retain its population, it should have organized export of manpower on a contract basis to those countries where there is a shortage of it. For example, within the CIS. It is unlikely that our workers are any worse than the Indians working in Saudi Arabia and certain other prosperous Near Eastern countries, or than the Palestinians working in Israel. I believe that economic reasons underlie the outflow of the population. Consequently, the resolution of the problem of migration, depending on the approach to the problem as a whole, should also be sought in the sphere of economic relations.

The predictions of local demographers regarding the expected mass influx starting in 1990 of residents of rural areas to the cities, which are much more rapidly forming a market infrastructure, have not come to pass. While the urban population has declined in the past 4 years, the absolute numbers of the rural population have increased. I believe that the data for 1995 will show an influx of rural population to the cities. The lowered prices on real estate facilitate such an internal flow. In turn, inexpensive rayons will be formed within the cities, such as, for example, Aynabulak in Almaty, where one can get an apartment for \$2000, with expressed rural traits.

Birth rate, ageing, marriage orientation

Within the structure of the population of Kazakhstan, Kazakhs prevail with 46 percent, Russians comprise 34.8 percent, and the remaining portion is comprised of other nationalities. Despite the leadership of absolute numbers, at the domestic level many are fearful that, since the Uzbeks and Uygurs have a higher birth rate, the Kazakhs may be naturally displaced from the southern oblasts of the republic.

However, the statistical data disperse these fears: 90 percent of the natural increase in the population is accounted for by the Kazakhs, while the number of the Uzbek population has been declining due to emigration and reduction of natural growth (see Table 2). If we examine the problem of the declining birth rate more broadly, then, based on the experience of numerous countries, there is an apparent tendency toward improvement in the qualitative indicators of the life of the popu-

lation. Thus, in Germany the birth rate began to decline from 1960, yet no one is speaking of the decline of the German nation or its statehood.

Migration of the population by individual nationalities of Kazakhstan

	1993	1994
All nationalities	-222,101	-410,387
Kazakhs	+23,490	+5484
Azerbaijanis	-164	-790
Balkars	-33	-41
Belorussians	-3848	-6420
Bulgarians	-242	-379
Greeks	-1602	-1619
Dungans	-58	-84
Jews	-1188	-1515
Ingush	-27	-271
Chinese	+90	-93
Koreans	+136	-938
Kyrgyz	-223	-255
Germans	-84,123	-89,796
Poles	-749	-1758
Russians	-123,777	-251,934
Tajiks	-33	-197
Turkmen	-20	-47
Tatars	-5329	-10,979
Turks	+158	+422
Uzbeks	-1571	-2217
Uygurs	+55	-67
Ukrainians	-16,580	-32,325
Other nationalities	-6443	-14,568

Since 1986, there have been almost no inter-ethnic marriages performed in Kazakhstan. Today the situation is again changing in the direction of internationalization, although it is now not because of ideological considerations. (In 1969, inter-ethnic marriages comprised 6.4 percent of all marriages concluded by Kazakhs; in 1978—4.6 percent; in 1988—4.4 percent, and in 1989—3.95 percent).

The departure of the Slavic population affects women to a lesser degree. Due to material considerations and because of their greater psychological settled way of life, women are less mobile. The absence of marriage partners from the same ethnic group, the growing relative share of men among Kazakhs occupying the niches which are being vacated in the cities, the inability of most of them to provide for a child/children on their salaries—these factors once again lead to the formation of multi-national families. Such a situation is typical especially in the small and medium-sized cities. It is important to note that the indicated factors alter not only the channels of seeking marriage partners which have been formulated, but also influence the psychology of women, making them more materially motivated.

There is also another interesting peculiarity: The number of divorces has declined in recent years. This may be explained by the fact that the family is better adapted to survival and to withstanding external difficulties. The market hinders hasty marriages and divorces.

Emigration from Kazakhstan leads to the fact that the relative share of elderly people is increasing among the non-native peoples. Yet for the Kazakhs, on the contrary, the relative share of young and middle-aged people is increasing. Considering the fact that it is very difficult for old people to get by without the support of younger members of their family, living only on their pension, they are forced to find supplemental sources of income. Since it is difficult even for young people to get a decent job, supplemental income may be obtained by renting out housing or engaging in resale of consumer goods. All this gives rise to serious problems: Formation of regions for poor people in the cities and their criminalization. The lifestyle and methods of supplemental earnings of elderly and old people objectively facilitate the spread of crime in such regions, and the formation of ghettos in certain parts of the cities. At the same time, the residents of these rayons reproduce crime, themselves becoming its victims. The transfer of the capital to Akmola would facilitate forcing out the wealthy from Almaty to the new capital and to Russia.

Tajikistan

*Tajikistan Hoping for Foreign Investment in Gold Industry

954E1484A Moscow SEGODNYA in Russian
21 Sep 95 p 8

[Article by Sand Amir, under rubric "Resources": "Tajikistan Awaiting 'Gold Fever': According to the forecasts, the republic may become one of the leading

countries in the world in the production of the precious metal."]

[FBIS Translated Text] Tajikistan's gold reserve does not exceed 360 kilograms, a SEGODNYA correspondent was told by Safar Safarov, the head of the Majlisi Olii (Supreme Assembly) Committee on Economics and the Budget. In his words, the production of the precious metal in the republic during recent years has dropped sharply. Whereas in 1991 the amount produced at the gold fields was 2031 kilograms, last year it was only 352 kilograms. A successful branch, which in 1991-1992 had received profit in the amount of 2617.3 million rubles, within a year turned into one operating at a loss — the debt owed by the gold miners was 2.1 million rubles. A small increase in production was noted last year, and a profit of 824 million rubles was obtained from the mining of the valuable metal.

The basic reason for the crisis in the branch, according to the head of the Tajik parliament's committee, is the civil war, as a result of which some of the gold fields were looted. Bridges and communication lines were destroyed, and specialists deserted the "golden places." The other reasons include the criminal irresponsibility of the officials. As Safar Gayurovich said, the republic's procuracy is investigating the "Kayrakkumy case," in which a number of enterprise managers and local businessmen are involved. The leadership of the Leninabad Commodity and Raw-Materials Exchange and the Canadian Gold Mineral Excavation, without the consent of the Ministry of Finance or the "Tadzhikzoloto" PO [production association], concluded a contract on joint activity and shipped to Canada from the Kayrakkumy Mine gold with a value of 1.914 billion rubles. Businessmen sold the gold that had previously been paid for out of the state budget and that was carried on the books as state assets.

Meanwhile, many people foresee for Tajikistan the beginning of "gold fever" within the next few years. According to specialists, that branch is capable of pulling the republic out of its profound economic crisis. Today several joint ventures (basically with participation of Great Britain) involved in the mining of gold are in operation in Tajikistan. In all the joint ventures, the share of the Tajik side constitutes 51 percent. But for the time being the Tajik leadership is satisfied only with the work of the "Zeravshan" SP [joint venture], which is assimilating the Tarror and Dzhalau gold deposits in Pendzhikentskiy Rayon. The investments of Commonwealth and British Mineral PLC into the working of those deposits by the end of this year will be almost \$40 million, and by 1998 will exceed \$150 million. The British partners intend to expand the production. According to the contract, they will allocate

to the Tajik Geological Administration \$2 million a year to carry out geological prospecting operations in other deposits, with the subsequent right to include those fields in the joint venture. Of course, in the event that the geological prospecting provides positive results.

The Tajik-British company has begun implementing a vast project for expanding and modernizing the existing factories, for constructing new lines, and subsequently new enterprises as well. According to the specialists, by the end of this year the remodeling of a factory in the settlement of Sogdiana will be coming to an end, and the production of gold in the form of a "dore" alloy will be begun. Three tons of gold will be produced there annually. In early 1996 the construction of a new production entity will begin, and that will make it possible to obtain four additional tons of the precious metal. Within the next two years it is planned to construct an underground mine in the Tarror deposit, and also to expand and modify the factory existing there, after which it will be able to process annually one million tons of ore, thus providing the opportunity to produce 5 additional tons of gold. In 1998, when the project will be completely implemented, the "Zeravshan" joint venture will increase gold production to 12 tons a year. Richard Wilkens, the commercial director of the "Zeravshan" Tajik-British joint venture, stated recently in an interview given to the BIZNES I POLITIKA local weekly that Tajikistan has all the chances of becoming, by the end of our century, one of the 20 leading countries in the world with regard to gold mining.

Safar Safarov, the chairman of the parliamentary committee, shares this optimistic mood. But today, he feels, it is necessary to improve the branch's legislative base. In addition, no tender has been made for participation in developing the gold deposits, and today's partners of

the Tajik gold miners have begun operating without an alternative. Currently people's moods in Dushanbe are being crushed, and people are saying that it would be nice if more profitable partners could be found, although they do admit that the decision to create the previous joint ventures was made under pressure — the Tajik government to this day does not have the capability of financing that branch. Meanwhile the gold reserves, in the opinion of specialists, are tremendous in Tajikistan. But the reserves of silver in the bowels of the Tajik mines are even larger — the Bolshoy Kanimansur deposit occupies second place in the world with regard to the size of its reserves.

In the opinion of Safar Safarov, the parliament and government should urgently prepare drafts of a number of laws, including a law governing the creation of joint ventures in the Republic of Tajikistan, a law on tenders, and a law on the state fund of precious metals and precious stones. For the time being, only the draft of the law entitled "Foreign Investors" is being prepared. It is a very important document, in the opinion of Tajik economists. Without a doubt, without the government's guarantees many foreign partners would scarcely agree to invest their money in the development of Tajikistan's economy, including the assimilation of deposits of precious metals and stones. But, most importantly, the head of the parliamentary committee feels, it is necessary to introduce order into the reporting in the area of gold mining. "We also support the decision to create under the government or under the president a committee on precious metals and precious stones," S. Safarov says. Without those measures, he feels, all hopes of developing the branch and climbing out of the critical chasm in which the republic is situated today are vain ones.

?

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 3
MERRIFIELD, VA

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.